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[ISSUED SATURDAY, 9TH APRIL, 1921.



COMMONWEALTH OF AUSTRALIA.

PARLIAMENTARY DEBATES.

FIRST SESSION, 1920-21.

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EIGHTH PARLIAMENT.

FIRST SESSION.

Governor-General.*

His Excellency the Right Honorable HENRY WILLIAM, BARON FORSTER, a Member of His Majesty's Most Honorable Privy Council, Knight Grand Cross of the Most Distinguished Order of Saint Michael and Saint George, and Commander-in-Chief in and over the Commonwealth of Australia.

* From 6th October, 1920.

Australian National Government.

(From 10th January, 1918.)

Prime Minister and Attorney-General	..	The Right Honorable William Morris Hughes, P.C., K.C.
Minister for the Navy	..	The Right Honorable Sir Joseph Cook, P.C., G.C.M.G.
		<i>Succeeded by</i>
		The Honorable W. H. Laird Smith (28th July, 1920).
Treasurer	..	The Right Honorable Lord Forrest, P.C., G.C.M.G.
		<i>Succeeded by</i>
		The Right Honorable William Alexander Watt, P.C. (27th March, 1918).††††
		<i>Succeeded by</i>
		The Right Honorable Sir Joseph Cook, P.C., G.C.M.G. (28th July, 1920).
Minister for Defence	..	The Honorable George Foster Pearce.
Minister for Repatriation	..	The Honorable Edward Davis Millen.
Minister for Works and Railways	..	The Right Honorable William Alexander Watt, P.C.
		<i>Succeeded by</i>
		The Honorable Littleton Ernest Groom (27th March, 1918).
Minister for Home and Territories	..	The Honorable Patrick McMahon Glynn, K.C.†††
		<i>Succeeded by</i>
		The Honorable Alexander Poynton, O.B.E. (4th February, 1920).
Minister for Trade and Customs	..	The Honorable Jens August Jensen.†
		<i>Succeeded by</i>
		The Right Honorable William Alexander Watt, P.C. (13th December, 1918).
		<i>Succeeded by</i>
		The Honorable Walter Massy Greene (17th January, 1919).
Postmaster-General	..	The Honorable William Webster.†††
		<i>Succeeded by</i>
		The Honorable George Henry Wise (4th February, 1920).
Minister for Health	..	The Honorable Walter Massy Greene (10th March, 1921).
Vice-President of the Executive Council	..	The Honorable Littleton Ernest Groom.
		<i>Succeeded by</i>
		The Honorable Edward John Russell (27th March, 1918).
Honorary Minister	..	The Honorable Edward John Russell.
Honorary Minister	..	Appointed Vice-President of the Executive Council, 27th March, 1918.
Honorary Minister	..	The Honorable Alexander Poynton.
Honorary Minister	..	Appointed Minister for Home and Territories, 4th February, 1920.
Honorary Minister	..	The Honorable George Henry Wise.
Honorary Minister	..	Appointed Postmaster-General, 4th February, 1920.
Honorary Minister	..	The Honorable Walter Massy Greene.*
Honorary Minister	..	Appointed Minister for Trade and Customs, 17th January, 1919.
Honorary Minister	..	The Honorable Richard Beaumont Orchard.**
Honorary Minister	..	The Honorable Sir Granville de Laune Ryrie, K.C.M.G., C.B., V.D.††
Honorary Minister	..	The Honorable William Henry Laird Smith.††
Honorary Minister	..	Appointed Minister for the Navy, 28th July, 1920.
Honorary Minister	..	The Honorable Arthur Stanislaus Rodgers.***

* Appointed 26th March, 1918.—† Removed from office, 13th December, 1918.—** Resigned office, 31st January, 1919.—†† Appointed 4th February, 1920.—††† Resigned 3rd February, 1920.—†††† Resignation from office gazetted, 15th June, 1920.—*** Appointed 28th July, 1920.

Senators.

(From 1st July, 1920.)

President—Senator the Honorable Thomas Givens.

Chairman of Committees—Senator Thomas Jerome Kingston Bakhap.

* Adamson, John, C.B.E. (Q.)	* Guthrie, James Francois (V.)
Bakhap, Thomas Jerome Kingston (T.)	* Guthrie, Robert Storrie (S.A.)
* Benny, Benjamin (S.A.)	Henderson, George (W.A.)
Bolton, William Kinsey, C.B.E., V.D. (V.)	Keating, Hon. John Henry (T.)
* Buzaeott, Richard (W.A.)	* Lynch, Patrick Joseph (W.A.)
* Cox, Charles Frederick, C.B., C.M.G. (N.S.W.)	Millen, Hon. Edward Davis (N.S.W.)
Crawford, Thomas William (Q.)	* Millen, John Dunlop (T.)
De Largie, Hon. Hugh (W.A.)	* ¹ Newland, John, C.B.E. (S.A.)
* Drake-Brockman, Edmund Alfred, C.B., C.M.G., D.S.O. (W.A.)	* Payne, Hon. Herbert James Mockford (T.)
* Duncan, Walter Leslie (N.S.W.)	² Pearce, Hon. George Foster (W.A.)
Earle, Hon. John (T.)	¹ Plain, William (V.)
* Elliott, Harold Edward, C.B., C.M.G., D.S.O., D.C.M. (V.)	Pratten, Herbert Edward (N.S.W.)
Fairbairn, George (V.)	Reid, Matthew (Q.)
Foll, Hattil Spencer (Q.)	¹ Rowell, James, C.B. (S.A.)
² Foster, George Matthew (T.)	* Russell, Hon. Edward John (V.)
* Gardiner, Albert (N.S.W.)	Senior, William (S.A.)
* Givens, Hon. Thomas (Q.)	Thomas, Hon. Josiah (N.S.W.)
* Glasgow, Sir Thomas William, K.C.B., C.M.G., D.S.O. (Q.)	⁶ Vardon, Edward Charles (S.A.)
	* Wilson, Reginald Victor (S.A.)

1. Appointed Temporary Chairman of Committees, 21st July, 1920. 2. Elected 13th December, 1919. Sworn 21st July, 1920. 3. Appointed Temporary Chairman of Committees, 26th February, 1920. 4. Deceased reported, 6th April, 1921. 5. Appointed by State Governor in Council, 18th February, 1921. Sworn 6th April, 1921. * Elected 13th December, 1919. Sworn 1st July, 1920.

Senate.

Wednesday, 6 April, 1921.

The PRESIDENT (Senator the Hon. T. Givens) took the chair at 3 p.m., and read prayers.

DEFENCE.

CAMP TRAINING OF CITIZEN FORCES.

Senator EARLE.—I ask the Minister for Defence whether it is the intention of the Government to provide for ten weeks' consecutive military training for the youth of Australia? If not, will the Minister say what term of continuous training is proposed?

Senator PEARCE.—As announced by myself in the press last week, the consideration of an extended term of training for the Citizen Forces has been deferred by the Government until the return of the Prime Minister from England. With regard to the honorable senator's second question, a Defence Bill will be submitted to the Senate at a later period, which will disclose the intentions of the Government in this regard for the immediate future.

ASSENT TO BILLS.

Assent reported to the following Bills:—

- Appropriation Bill 1920-21.
- Commonwealth Bank Bill.
- Electoral War-time Repeal Bill.
- Land Tax Bill.
- Passports Bill.
- Quarantine Bill.
- Nationality Bill.
- Aliens Registration Bill.
- Air Navigation Bill.
- Immigration Bill.
- Sugar Purchase Bill.
- Invalid and Old-age Pensions Bill.
- War Precautions Act Repeal Bill.
- Industrial Peace Bill.
- River Murray Waters Bill.

NAVIGATION ACT.

ROYAL ASSENT.

The PRESIDENT announced the receipt of a message from His Excellency

the Governor-General, intimating that the Navigation Act 1912-19, which was reserved for the signification of His Majesty's pleasure, had been laid before His Majesty in Council, and that His Majesty had, by Order in Council dated 4th February, 1921, approved and assented to the proposed law; and further, that in the *Commonwealth Gazette*, 3rd March, 1921, His Excellency the Governor-General had caused the King's approval of the proposed law to be published by proclamation.

PUBLIC WORKS COMMITTEE.

SHIPBUILDING CONTRACT.

Senator E. D. MILLEN (New South Wales — Minister for Repatriation) [3.0].—During the recess an interim report was furnished to His Excellency the Governor-General by the Parliamentary Standing Committee on Public Works in connexion with an inquiry into the Kidman and Mayoh shipbuilding contract. In view of the very definite finding of the Committee, steps are being taken by the Government to recover from the contractors amounts paid to them under the contract. I lay the report on the table, and move—

That the paper be printed.

Question resolved in the affirmative.

Senator NEWLAND laid on the table a report of the Parliamentary Standing Committee on Public Works, together with minutes of evidence, relating to the shipbuilding contract.

PAPERS.

The following papers were presented:—

Messrs. Kidman and Mayoh's Shipbuilding Contract: Interim Report by Parliamentary Standing Committee on Public Works.—Ordered to be printed.

Commonwealth and State Land and Income Taxes—Collection by one authority, and uniform form of return—Reports of Board of Inquiry.

Economies Royal Commission—Final Report; together with Ministerial Statement to accompany same.

Treaty of Peace between the Allies and Associated Powers and Hungary, together with Protocol and Declaration, signed at Trianon, 4th June, 1920.

Treaty of Peace between the Allied Powers and Turkey, signed at Sévres, 10th August, 1920.

Arbitration (Public Service) Act.—Orders of the Commonwealth Court of Conciliation and Arbitration, and other documents, in connexion with awards or variations of awards in the following cases:—

Australian Postal Linesmen's Union—Dated 18th December, 1920.

Commonwealth Legal Professional Officers' Association—Dated 17th December, 1920.

Commonwealth Postmasters' Association and Australian Commonwealth Post and Telegraph Association—Dated 27th November, 1920.

Commonwealth Public Service Clerical Association—Dated 17th December, 1920.

Line Inspectors' Association—Commonwealth of Australia—Dated 18th December, 1920.

Professional Officers' Association Commonwealth Public Service—Dated 17th December, 1920.

Audit Act—

Regulations amended.—Statutory Rules 1921, No. 30.

Transfers of amounts approved by the Governor-General in Council—Financial Year 1920-21—

Dated 20th January, 1921.

Dated 2nd March, 1921.

Dated 16th March, 1921.

Commonwealth Bank Act.—Regulations amended.—Statutory Rules 1920, No. 259.

Conciliation and Arbitration Act.—Regulations amended.—Statutory Rules 1920, No. 99.

Contract Immigrants Act.—Return for 1920, respecting Contract Immigrants admitted or refused admission into the Commonwealth, &c.

Electoral Act.—Joint Electoral Rolls in South Australia.—Regulations.—Statutory Rules 1921, No. 32.

Electoral Act and Referendum (Constitution Alteration) Act.—Regulations amended.—Statutory Rules 1920, No. 261.

Entertainments Tax Assessment Act.—Regulations amended.—Statutory Rules 1920, No. 218.

High Court Procedure Act.—Rules of Court—Dated 27th July, 1920 (Statutory Rules 1920, No. 162).

Dated 1st February, 1921.

Immigration Act.—Return for 1920, respecting persons admitted or refused admission into the Commonwealth, &c.

Income Tax Assessment Act.—Regulations amended.—Statutory Rules 1920, No. 258.

Industrial Peace Acts.—Regulations.—Statutory Rules 1920, No. 264.

Land Tax Assessment Act.—Statement showing relief from tax granted to taxpayers under section 66 of the Act.

Lands Acquisition Act.—Land acquired for Postal purposes at—

Branxholm, Tasmania.

Dee Why, New South Wales.

Fremantle, Western Australia.

Gordon, New South Wales.

Kalamunda, Western Australia.

Nedlands Park, Western Australia.

West Guildford, Western Australia.

Naturalization Act.—Return of persons to whom Naturalization Certificates were granted during 1920.

Norfolk Island.—

Census Ordinance 1920.—Regulations.

Ordinance No. 1 of 1921.—Executive Council.

Northern Territory.—Ordinances.—

No. 7 of 1920.—Lunacy.

No. 10 of 1920.—Taxation.

No. 11 of 1920.—Examination of Engine-drivers.

No. 1 of 1921.—Early closing.

No. 2 of 1921.—Affirmations.

Papua.—Ordinances of 1920.—

No. 6.—Supplementary Appropriation (No. 2), 1919-1920.

No. 7.—Supply (No. 1), 1920-1921.

No. 9.—Census.

Patents Act.—Regulations amended.—Statutory Rules 1920, No. 137.

Patents Act, Trade Marks Act, Designs Act, Patents, Trade Marks, and Designs Act, and Treaty of Peace Act.—Regulations.—Statutory Rules 1920, No. 61.

Public Service Act—

Appointments, Promotions, &c.—

Prime Minister's Department—L. O. Brown.

Department of the Treasury—T. C. H.

Powell, E. R. Halse, R. A. Whitelaw,

A. J. Drummond, R. A. Crowe, J. W.

Ryan, P. W. G. Bennett, T. A. R. Rooke,

H. E. J. Woodland, C. C. Christie, P. S.

McGovern, T. L. Lea, T. Goggin, L. V.

Kennedy, G. A. Forster, H. F. Brodrigg,

W. R. Campbell, C. G. P. Edmonds,

G. T. Evans, J. H. Shepherd, C. Clemenger,

E. J. Cook, A. W. O'Hehir, N. D.

McNally, P. M. A. Lantry, B. Stanley,

C. B. Brown, C. F. Hill, B. H. Brown,

W. E. Addicoat, C. Barnes, J. D.

O'Meally, E. R. Norman, J. L. Cody,

J. V. Stapleton, E. R. Scott, D. C. L.

Payne, C. R. Lambert, A. H. Davey,

A. J. Pickering, R. White, A. S. Mur-

ray, C. P. Shaw, I. G. Keating, L.

Knibbs, A. H. Smith, H. Theggie, H. E.

Tregaskis, W. M. Murphy, E. T. Do-

meney, C. B. Hughes, J. A. Wilson,

H. R. Griffiths.

Department of Works and Railways—R.

Dooley.

Postmaster-General's Department—G.

Apperley, J. G. Berry, E. Dean, L. H.

Griffiths, J. A. McGlynn, L. H. T.

Powell, M. H. Tait.

Regulations amended.—Statutory Rules

1920, Nos. 237, 238, 241, 263, 266;

1921, Nos. 29, 57, 58.

Service and Execution of Process Act.—

Regulations.—Statutory Rules 1920,

No. 136.

Territory for the Seat of Government.—

Ordinances—

No. 2 of 1920.—Rates.

No. 3 of 1920.—Stock.

No. 1 of 1921.—Stock.

War Gratuity Acts.—Regulations amended.

Statutory Rules 1920, No. 217.

War Service Homes Act—

Land acquired—

New South Wales—

Ashfield, Auburn, Banksia, Bathurst, Bowral, Burwood, Carlton, Chatswood (two notifications), Coogee, Corowa, Cremorne, Goulburn (two notifications), Granville, Hamilton (four notifications), Kogarah, Leichhardt, Lismore (three notifications), Longueville, Manly, Mascot (two notifications), Milton, Moss Vale, Parramatta (three notifications), Penrith, Port Kembla, Stockton, Toongabbie, Waratah (four notifications), Waverley, Weston, Wolloughby, Woonona, Woollahra (three notifications).

Victoria—Geelong.

Western Australia—Collie.

Revocation or partial revocation of notification of acquisition of land at—Cheltenham, Victoria.

Geelong, Victoria.

Islington, New South Wales (two notifications).

Tighes Hill, New South Wales.

Waratah, New South Wales (three notifications).

Weston, New South Wales (three notifications).

Air Navigation Act.—Regulations.—Statutory Rules 1921, No. 33.

Defence Act.—Regulations amended.—Statutory Rules 1921, Nos. 239, 242, 250, 252, 253, 254, 255, 260, 267, 268; 1921, Nos. 15, 16, 24, 25, 26, 27, 28, 34, 35, 36, 40, 41, 44, 53, 54, 55, 59, 60, 61, 62.

Defence Act and Naval Defence Act.—Regulations amended.—Statutory Rules 1920, No. 269.

Land, Mining, Shares, and Shipping Act.—Regulations amended.—Statutory Rules 1920, No. 251.

Naval Defence Act.—Regulations amended, &c.—Statutory Rules 1920, Nos. 72, 73, 100, 101, 131, 145, 155, 156, 157, 163, 190, 210, 211, 219, 229, 230, 231, 232, 248, 249; 1921, Nos. 1, 21, 56.

War Precautions Act, and Land, Mining, Shares, and Shipping Act.—Regulations amended.—Statutory Rules 1920, Nos. 93, 95, and 172.

War Precautions Act Repeal Act.—Regulations amended, &c.—Statutory Rules 1920, No. 257; 1921, Nos. 3 and 14.

Customs Act—Proclamations—

Dated 2nd December, 1920, revoking previous proclamation relating to the exportation of goods to Germany, Austria-Hungary, Turkey, and Bulgaria.

Dated 20th January, 1921, revoking previous proclamation relating to the exportation of goods per parcels post.

Dated 16th February, 1921, revoking previous proclamation relating to the exportation of wool.

Distillation Act — Regulations amended.—Statutory Rules 1921, No. 38.

Excise Act—Regulations amended.—Statutory Rules 1921, No. 37.

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Post and Telegraph Act — Regulations amended—Statutory Rules 1920, Nos. 158, 166, 173, 181, 182, 191, 202, 212, 213, 225, 226, 227, 240, 244, 245, 246, 262, 265; 1921, Nos. 5, 6, 8, 9, 18, 19, 20, 23, 42, 43, and 52.

Railways Act—By-law No. 19.

Trading with the Enemy Act—Regulations amended—Statutory Rules 1921, No. 47.

Trading with the Enemy Act, Treaty of Peace (Germany) Act, and Treaties of Peace (Austria and Bulgaria) Act—Regulations—Statutory Rules 1921, No. 10.

Treaty of Peace Act—Regulations amended—Statutory Rules 1921, No. 13.

Treaty of Peace (Germany) Act—Regulations amended—Statutory Rules 1921, No. 46.

Treaties of Peace (Austria and Bulgaria) Act—Regulations—Statutory Rules 1921, Nos. 45 and 63.

Wireless Telegraphy Act—Regulations—Statutory Rules 1920, No. 256.

DEATH OF SENATOR R. S. GUTHRIE.

The PRESIDENT (Senator the Hon. T. Givens).—It is with very deep regret that I have to announce to the Senate that, on the 20th January last, as the result of a street accident, Senator Robert Storrie Guthrie died, at the Melbourne Hospital. A funeral service was held in the Queen's Hall on the same day, and the body was then taken to Adelaide. Upon behalf of the Senate, I conveyed an expression of sympathy to Mrs. Guthrie and family, pending the more formal resolution of the Senate, and I journeyed to Adelaide to represent the Senate at the funeral. This course I pursued, feeling assured that it would meet the wishes of the Senate.

NEW SENATOR.

The PRESIDENT. — Pursuant to the provisions of the Constitution, I notified the Governor of the State of South Australia of the vacancy caused in the representation of that State in the Senate by the death of Senator Robert Storrie Guthrie; and I have received a communication from His Excellency the Governor-General enclosing a certificate of the appointment of Mr. Edward Charles Vardon as a senator to fill such vacancy.

Certificate read by the Clerk.

Senator VARDON made and subscribed the oath of allegiance.

THE LATE SENATOR R. S. GUTHRIE.

Senator E. D. MILLEN (Minister for Repatriation) [3.22].—(*By leave.*)—I am assured that the Senate, being as deeply regretful of the occasion as I am, will in all sincerity join in passing the motion which I now beg to move—

That the Senate expresses its deep regret for the tragic death of the late Robert Storrie Guthrie, who was for many years a member of this Chamber, and places upon record its high appreciation of his great public services, and tenders its sincere sympathy to his widow and family in their sad bereavement.

Senator Guthrie, whose loss we mourn, rendered distinguished public service in the Commonwealth and the State for something over a quarter of a century. He rendered no less useful service outside the Parliaments of which he was an honoured member, in his association with the big industrial movement of which he was so conspicuous a leader. In that service, as we who were privileged to meet him here can bear testimony, he was at all times animated by the highest conceptions of public duty and patriotism. In the expression of his views, he was always frank and manly, and, above all, courageous. In dealing with his public service, I cannot refrain from a reference to that stupendous piece of legislation, the Navigation Act. Senator Guthrie, who was peculiarly equipped by his intimate knowledge of the subject, threw himself with tireless energy into the shaping of that measure, and followed it, clause by clause, and line by line, during its very prolonged passage through this Chamber. Throughout the debates, which will remain in the memory of many of us, Senator Guthrie, by the knowledge to which I have referred, and by his broad and humane views, did much to secure in that measure provisions which made for the safety and the comfort alike of the public and of the crews of the vessels. His technical knowledge was of immense value to the Senate, and if he had rendered no other public service than the assistance he gave in the shaping of that measure, he did enough there to secure for himself a lasting monument in the thoughts and hearts of those whom he benefited by his work on that occasion. But there is another aspect in which Senator Guthrie's memory will remain with us, and that is our private associa-

tion with him. Naturally, in Parliament, there are differences of views, but there was no difference or personal feeling towards Senator Guthrie himself. This Chamber consists of thirty-six members, and I venture the statement that thirty-five of them were very warm friends and admirers of him. I think I may go further and say that in the larger world outside Senator Guthrie had innumerable friends, and I doubt if he had a single enemy. The memory of Senator Guthrie, whom we were always delighted to call "Bob" Guthrie, is not merely that of a fellow legislator, but also that of a man whose friendship it was a privilege to claim, and that memory will remain with us, I hope, for many years to come. The latter portion of the motion refers to those he leaves behind. Our sympathy will go out to them. It will not account perhaps for much; but it may do a little to remove a shadow from a sorrowing home, and to lift a cloud of grief from hearts which are sorely stricken.

Senator GARDINER (New South Wales) [3.26].—In seconding the motion moved in such suitable and excellent language by the Leader of the Government in this Chamber, I associate myself with the sentiments he has expressed. In common with him, and with all the members of the Senate, particularly those who were associated with Senator Guthrie for many years, I feel deeply and earnestly the severe loss the Senate has suffered by his sad and tragic end. It was my good fortune, in party and other places, to be very closely associated with the late senator. The Leader of the Government has fittingly referred to Senator Guthrie's great labours on behalf of that industrial section of the community, the seamen, and it was to them, indeed, that one might say that he gave the best part of his life, working with a strenuousness, ability, and industry that we all, at all times, admired. When the news of his sudden death came, I felt it as a very great shock. I join with the Leader of the Government in everything that he has said about the late senator, and in his expressions of sympathy with the loved ones left behind. We here, who knew him, not only admired, but loved him. How much more greatly than will the loss be felt in that home which knew him so much

better than we did? Personally, I shall always look back with feelings of pleasure to Senator Guthrie's more youthful days, when he was actively and strenuously engaged on behalf of that particular section of the working classes to whom he devoted so much of his life.

Senator LYNCH (Western Australia)

[3.28].—As one who knew the late senator for some thirty-one years, I rise to support the motion moved by Senator Millen and seconded by Senator Gardiner. When we recall the fact that at our last meeting in this chamber, Senator Guthrie was full of cheerfulness and abounding in life, with, I suppose, no thought in his mind that his end was so near, it makes us reflect upon the well-known words of Edmund Burke: "What shadows we are, and what shadows we pursue!" Since we last met here, a very notable figure, not only in the Senate, but in the public life of Australia, has been removed by Senator Guthrie's sudden end. I was particularly struck by Senator Millen's reference to Senator Guthrie's early struggles, for the reason that I happen to know a little about them. Some thirty-one years ago, the late senator was an obscure figure in this country, but by virtue of the inherent qualities that it was well-known he possessed, he raised himself from that obscurity to one of the highest positions in the gift of the people. The contemplation of Senator Guthrie's life, and of what he achieved by his inherent virtues, must bring home to us the boundless opportunities that exist in this country, and make us feel that it is indeed a good country to be in, and that we are fortunate to be in it. When Senator Guthrie landed in this country he, as well as many others here, had neither a lengthy purse, social status, nor influential friends to help him forge his way along in life, but he possessed those rather rare and golden qualities which help to make a man amongst a body of men. He therefore marched along, and as he progressed, stage by stage, in popular favour, he never, as Senator Millen has rightly said, forfeited the good-will of any person disposed to approach the consideration of his character with an unbiased mind. He helped, as I am aware, to raise the seamen of this country,

that body of workmen with whom he was so long associated, from a lowly and unsatisfactory position to that which they now enjoy. Moreover, he assisted them, in an associated and collective sense, at a time when they were absolutely helpless. That was the condition of the seamen at a time when this great and good man, who has been removed from us, took their cause in hand with such satisfactory results. Their conditions have so improved that to-day they are the best paid and the most satisfied body of seamen in any part of the known world that I am aware of. Senator Guthrie's appeal was always to reason; never to force. By virtue of his political sanity and the dispassionate manner in which he discharged his duties as a legislator, he was able to accomplish so much for our seamen. He is mourned to-day, and rightly so, by all seafaring men; and although in his latter days he was thrust aside, as these new young men arose, I am satisfied that, when the time comes to assess properly the progress made by the Australian seamen under the leadership of a man who may be regarded as the Samuel Plimsoll of Australia and the progress under the leadership of these new young men, of whom I speak, the historian will record a heavy balance in favour of Senator Guthrie, otherwise known as "Bob" Guthrie. Of his private life, I can only say that he was an exemplary figure within his own household. Socially speaking, as has been well said by the previous speakers, we all liked to meet him, for he had the sun shining in his eyes, and he earned nobody's ill-will. His opinions were always expressed in the straightest and most unequivocal language. I was pleased to be associated with him as a member of the Labour party, as a worker in the industrial arena, and pleased still more to meet him here on common ground as a member of this Senate. I re-echo all that has been said by the previous speakers. The Senate has been much impoverished by his removal. In all sincerity I indorse what has been previously said in regard to the loss which this country and the Senate have sustained, and I join in the message of condolence to his bereaved relatives.

Senator NEWLAND (South Australia)

[3.35].—I desire to associate myself with what has been said concerning the late

Senator Guthrie. It was my privilege to have his acquaintance for over a quarter of a century, and during that period I came to know something of the strenuous work he did on behalf of his fellow-craftsmen of the sea. As a member of the South Australian Parliament he worked just as strenuously in the interests of that section of the people to which he belonged, and, indeed, for the whole community, as he did during his later association with us in the Senate. As the Leader of the Senate (Senator Millen) has properly observed, one of the greatest monuments—possibly the greatest—that could ever be erected to his memory is to be found in our Navigation Act. It has been well said of the late Senator Guthrie that no one had any occasion ever to doubt where he stood. He was always straightforward and candid in his criticism of those with whom he differed, as well as in his expression of confidence in those with whom he agreed. But whilst he ploughed that straight furrow, as it were, during the whole of his public life, I feel that I am quite safe in saying that he left not one single enemy behind him on earth. During recent years he and his family suffered sad bereavements in the loss of two sons at the war. This probably had something to do with his failing health, which, as we who were intimately associated with him knew, had not been so good of late years. I desire to express with the previous speakers, my sympathy with his widow and her family in their sad bereavement. I feel confident that as the years roll on the late honorable senator's name will be honoured even more, if that were possible, than it was during the period of his public life in the Commonwealth. I join in the expressions of regret at his untimely end, and trust that anything that may be said or done here to-day will help to lighten the blow that has fallen upon those whom he has left behind.

Senator SENIOR (South Australia) [3.38].—With others, I join in supporting the motion that has been so ably submitted by the Leader of the Senate (Senator Millen). I was happy in being associated with Senator Guthrie at his best, and knew him; not as he may have been known here, superficially, but intimately as a comrade, a worker, and a fellow legislator.

Right through his life, he was a man who could be loved and trusted without reservation; a man who, as the years rolled on, seemed to grow broader and bigger. He was probably one of the biggest little men that we have ever had in Australian public life. The calamity that severed our happy friendship—that clouded our lives for the time being—struck deeply all those who were associated with him. His end was so unexpected, that it was hard to realize we should not see his cheery face again. His death came as a sad blow to all who knew him in South Australia. Nothing could have been more pathetic, as the funeral procession moved down towards the last resting place of the late honorable senator, than the spectacle of large numbers of seamen in Port Adelaide reverently acknowledging the loss which they had sustained by his death. We who were associated with him in the Senate know how unsparing he was with his help, and how devoted he was in anything he undertook to do. Those who had the pleasure of working with him as a comrade could never have wished for a more faithful or more generous helper. He was true to his mates, just as he was true to those with whom he worked in the larger sphere all through his life. To his wife and family we can do little more than convey our appreciation of the character he left behind, and associate ourselves with them in the sense that we feel his loss, and mourn his passage from us.

Question resolved in the affirmative, *honorable senators standing in their places.*

Senator E. D. MILLEN (Minister for Repatriation) [3.41].—Mr. President, I am sure that, without any indication from me, you will follow the course usually taken, and forward a copy of the motion on behalf of the Senate to the widow of the late senator. I propose in a few moments to move the adjournment of the Senate out of respect to our late comrade.

MINISTERIAL STATEMENT.

BUSINESS OF SESSION.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [3.43].—*(By leave)*—It is the intention of the Government that the session shall be

primarily a Tariff session, and the Government will, therefore, limit the legislation it introduces to that subject, allowing, of course, for such contingencies as may arise, and may compel the introduction of other measures rendered necessary by such contingencies.

Some events have transpired in connexion with the War Service Homes Department, and a full statement will be placed before the Senate, I hope, to-morrow; but certainly within the next day or two.

Since the Senate adjourned, the mandates for the surrendered German Territories have been issued, and civil administration, approved by the Act passed by this and the other branch of the Legislature, has been completed by a proclamation issued to-day establishing civil administration in place of the military administration hitherto controlling these possessions.

During my visit to Great Britain, as honorable senators are aware, one of the matters intrusted to me was that of adjusting financial questions outstanding between the Commonwealth and the Imperial Government. I was successful in making an agreement on behalf of the Commonwealth with the Imperial authorities, and a copy of that document will be tabled to-morrow.

Honorable senators are possibly aware that a Conference has been called at which important matters will be discussed by Imperial Ministers and the Prime Ministers of the various self-governing Dominions in June next. It is the intention of the Prime Minister (Mr. Hughes) to make a full statement on that subject in another place to-morrow. Naturally, we shall take early steps to see that an opportunity for discussing the matters disclosed by the Prime Minister is afforded this Senate.

During the time the other Chamber is dealing with the Tariff, the Government have thought it advisable to invite the Senate to consider the following measures:—Air Force Bill, which has not yet been introduced; an amending Public Service Bill, and an amending Defence Bill. The last mentioned, I may say, is a machinery measure. These are the proposals of the Government for the session, and in order to permit honorable senators, if they so desire, to have a general discussion, I

lay the statement I have just made on the table, and move—

That the paper be printed.

Debate (on motion by Senator GARDINER) adjourned.

Senate adjourned at 3.46 p.m.

House of Representatives

Wednesday, 6 April, 1921.

Mr. SPEAKER (Hon. Sir Elliot Johnson) took the chair at 3 p.m., and read prayers.

NEW MEMBER.

Mr. SPEAKER informed the House that he had received a return to the writ issued for the election of a member to serve in the House of Representatives for the electoral division of Kalgoorlie, in the place of the Hon. Hugh Mahon, indorsed with a certificate of the election of George James Foley, Esq.

Mr. FOLEY made and subscribed the oath of allegiance.

ASSENT TO BILLS.

Assent to the following Bills reported:—

Air Navigation Bill.
Aliens Registration Bill.
Appropriation Bill 1920-21.
Commonwealth Bank Bill.
Commonwealth Electoral (War-time) Repeal Bill.
Immigration Bill.
Industrial Peace Bill (No. 2).
Invalid and Old-age Pensions Bill.
Land Tax Bill.
Nationality Bill.
Passports Bill.
Quarantine Bill.
River Murray Waters Bill.
Sugar Purchase Bill (No. 2).
War Precautions Act Repeal Bill.
Navigation Bill (which had been reserved for the signification of his Majesty's pleasure).

CLERICAL STAFF.

Mr. SPEAKER.—Honorable members will recollect that at the last sitting of the House I intimated that Mr. Thomas Woollard, the Clerk-Assistant, proposed to retire from the service of the House on his attaining the statutory age. That gentleman relinquished his position on the 31st of last month, and consequent on

his retirement I made the necessary recommendation for the following changes to be made in regard to the officers in attendance in the Chamber:—

Mr. Clapin to be Clerk-Assistant.

Mr. Hubert to be Second Clerk-Assistant.

Mr. McGregor, who some time ago resumed duty after serving as an officer of the Australian Imperial Force, to be Serjeant-at-Arms and Clerk of Committees.

These, and other changes, will not add to the total number of officers, but have rendered possible a very necessary rearrangement of duties. When the House of Representatives first met there was a Second Clerk-Assistant, but, later, on the promotion of the occupant of that office, Mr. Speaker Holder said he did not propose at that time to fill the position of Second Clerk-Assistant, as he desired to try if the work could be efficiently performed with only two Clerks. In view of the fact that the sessions of the House of Representatives are very much longer, and the work of the Department much greater than it was anticipated at the inauguration of Federation would be the case, I think the time has now arrived for the appointment of a Second Clerk-Assistant to be again made. The present Clerk and the Clerk-Assistant are of the same age, and, in the event of their retiring at the same time, the House would be at a disadvantage if an officer who had had no previous experience at the table were to be appointed Clerk of the House. I may add that in the State of New South Wales there is a Second Clerk-Assistant in the Legislative Assembly.

Other officers of the staff have also been recommended for promotion as a result of these changes, and Mr. Frank Clifton Green, Clerk-Assistant and Serjeant-at-Arms of the House of Assembly, Tasmania, has been appointed Clerk of the Papers and Reading Clerk. Several of the applications for this position were from officers of other Departments who possess high qualifications and have distinguished military records; but, after exhaustive consideration, the choice fell on Mr. Green, who, in addition to his other qualifications and good military record—including the award of the Military Cross—has the great advantage of experience as an officer of Parliament.

Mr. Speaker.

Honorable members will be interested to know that we have now on the staff of the House ex-officers of the Parliaments of Western Australia, New South Wales, Victoria, and Tasmania, a combination which is of obvious benefit in dealing with the work of the Parliament of the Commonwealth.

In reference to the financial aspect of the alterations made, I may state that, excluding the salary of an officer formerly paid under the non-clerical branch, the annual cost of the clerical staff will be £4,310, as against the annual rate of £4,370 at the initiation of the Parliament—including a salary of £1,200 then paid to the Clerk by the Victorian Parliament—showing that the cost of the salaries of our clerical officers is now £60 per annum less than it was twenty years ago. The present is only the second occasion on which promotions have been made in the staff, and the total amount of the increases in salaries is more than counter-balanced by the fact that, notwithstanding the great increase in the work of the Department, our small clerical staff is actually one less in number than when it started.

I have just learned that my recommendations would be given effect to.

MINISTERIAL STATEMENT.

Mr. HUGHES (Bendigo—Prime Minister and Attorney-General) [3.8].—(*By leave*)—I have a statement to make concerning the business to be submitted to Parliament. It is the intention of the Government to ask honorable members to confine their attention, during the remainder of the session, to the consideration of the Tariff; and, though circumstances beyond our control, and, indeed, beyond that of the Parliament, may compel the consideration of other matters, Ministers do not now propose to submit any new measures.

As honorable members are aware, the Minister for Repatriation (Senator Millen), as the representative of Australia, attended at Geneva the first assembly of the League of Nations, and although it was sought to raise the question of mandates, the assembly was induced by him—he having the support of the representatives of Great Britain—to refrain from doing so.

The formal mandate to Australia has now been issued, and the Civil Administration is either now proclaimed or is in course of being proclaimed. It has been submitted to His Excellency for signature. There is only one other matter to which I desire to refer. The Government of Great Britain has issued to the Prime Minister of the various Overseas Dominions an invitation to attend a Conference to be held in London in June next. I intend to-morrow to make a statement in regard to the questions to be discussed there, in order that the House may have the fullest opportunity of expressing its opinion on these and all matters incidental to the Conference.

TARIFF.

Mr. RICHARD FOSTER presented a petition from certain electors praying for the abolition or reduction of Tariff taxes that press heavily on production. Petition received and read.

PAPERS.

The following papers were presented;—

Economies Royal Commission—Final Report of the Royal Commission appointed to consider and report upon Public Expenditure of the Commonwealth of Australia, with a view to effecting economies; together with a statement by the Minister for Defence in regard to the Final Report of the Commission.

Peace—

Treaty of Peace between the Allied and Associated Powers and Hungary, together with Protocol and Declaration, signed at Trianon, 4th June, 1920 (with map).

Treaty of Peace between the Allied Powers and Turkey, signed at Sèvres, 10th August, 1920 (with map).

Taxation—Commonwealth and State Land and Income Taxes—Collection by one authority and uniform form of return—Report of Board of Inquiry; also Minority Report.

Ordered to be printed.

Air Navigation Act—Regulations—Statutory Rules 1921, No. 83.

Arbitration (Public Service) Act—

Awards and Orders made by the Commonwealth Court of Conciliation and Arbitration and other documents in the following cases:—

Australian Postal Linesmen's Union. (Dated 18th December, 1920.)

Commonwealth Legal Professional Officers' Association. (Dated 17th December, 1920.)

Commonwealth Postmasters' Association and the Australian Post and Telegraph Association. (Dated 27th November, 1920.)

Commonwealth Public Service Clerical Association. (Dated 17th December, 1920.)

Line Inspectors' Association, Commonwealth of Australia. (Dated 18th December, 1920.)

Professional Officers' Association, Commonwealth Public Service. (Dated 17th December, 1920.)

Audit Act—

Transfers of amounts approved by the Governor-General in Council — Financial year 1920-21 — Dated, 20th January, 1921, 2nd March, 1921, and 16th March, 1921.

Regulations amended — Statutory Rules 1921, Nos. 30 and 49.

Commonwealth Bank Act — Regulations amended—Statutory Rules 1920, No. 259.

Conciliation and Arbitration Act — Regulations amended—Statutory Rules 1920, No. 99.

Contract Immigrants Act—Return for 1920.

Customs, Act—

Proclamation (dated 20th January, 1921), revoking Proclamation (dated 8th January, 1919), relating to the Exportation of Goods per parcels post.

Proclamation (dated 2nd December, 1920), revoking Proclamation (dated 14th January, 1920), relating to the Exportation of Goods to Germany, Austria-Hungary, Turkey, and Bulgaria.

Proclamation (dated 16th February, 1921), revoking Proclamation (dated 23rd October, 1914), relating to the Exportation of Wool.

Defence Act—Regulations amended—Statutory Rules 1920, Nos. 239, 242, 250, 252, 253, 254, 255, 260, 267, 268, and Statutory Rules 1921, Nos. 15, 16, 24, 25, 26, 27, 28, 34, 35, 36, 40, 41, 44, 53, 54, 55, 59, 60, 61, and 62.

Defence Act and Naval Defence Act—Regulations amended—Statutory Rules 1920, No. 269.

Electoral Act (Commonwealth) and Electoral Acts (South Australia) — Regulations relating to Joint Electoral Rolls in South Australia—Statutory Rules 1921, No. 32.

Electoral Act and Referendum (Constitution Alteration) Act—Regulations amended—Statutory Rules 1920, No. 261.

Entertainments Tax Assessment Act—Regulations amended—Statutory Rules 1920, No. 218.

Excise Act—Regulation amended—Statutory Rules 1921, No. 37.

High Court Procedure Act—Rules of Court —Statutory Rules 1920, No. 162—Rule 14 Sittings, dated 1st February, 1921.

Immigration Act—Return for 1920.

Income Tax Assessment Act—Regulations amended—Statutory Rules 1920, No. 258.

- Industrial Peace Acts—Regulations—Statutory Rules 1920, No. 264.
- Land, Mining, Shares, and Shipping Act—Regulations amended—Statutory Rules 1920, No. 251.
- Lands Acquisition Act—Land acquired under at—
- Branxholm, Tasmania—For Postal purposes.
 - Dee Why, New South Wales—For Postal purposes.
 - Fremantle, Western Australia—For Postal purposes.
 - Gordon, New South Wales—For Postal purposes.
 - Kalamunda, Western Australia—For Postal purposes.
 - Nedlands Park, Western Australia—For Postal purposes.
 - West Guildford, Western Australia—For Postal purposes.
- Land Tax Assessment Act—Applications for Relief—Statement showing Relief granted to Taxpayers.
- Naturalization Act—Return of number of Persons to whom Naturalization Certificates were granted during 1920.
- Naval Defence Act—Regulations amended—Statutory Rules 1920, Nos. 72, 73, 100, 101, 131, 145, 155, 156, 157, 163, 190, 210, 211, 219, 229, 230, 231, 232, 248, 249, and Statutory Rules 1921, Nos. 1, 21, and 56.
- Norfolk Island—
- Ordinance of 1921, No. 1—Executive Council.
 - Census Regulations 1921.
- Northern Territory—
- Ordinances of 1920—
 - No. 7—Lunacy.
 - No. 10—Taxation.
 - No. 11—Examination of Engine-drivers.
 - Ordinances of 1921—
 - No. 1—Early Closing.
 - No. 2—Affirmations.
- Papua—
- Ordinances of 1920—
 - No. 6—Supplementary Appropriation (No. 2) 1919-1920.
 - No. 7—Supply (No. 1) 1920-1921.
 - No. 9—Census.
- Patents Act—Regulations amended—Statutory Rules 1920, No. 137.
- Patents Act, Trade Marks Act, Designs Act, Patents, Trade Marks and Designs Act, and Treaty of Peace Act—Regulations—Statutory Rules 1920, No. 61.
- Post and Telegraph Act—Regulations amended—Statutory Rules 1920, Nos. 158, 166, 173, 181, 182, 191, 202, 212, 213; 225, 226, 227, 240, 244, 245, 246, 262, 265, and Statutory Rules 1921, Nos. 5, 6, 8, 9, 18, 19, 20, 23, 42, 43, and 52.
- Public Service Act—Appointments, Promotions, &c.—
- G. Apperley, Postmaster-General's Department.
 - J. G. Berry, Postmaster-General's Department.
 - H. F. Brodribb, Department of the Treasury.
 - L. O. Brown, Prime Minister's Department.
 - W. R. Campbell, Department of the Treasury.
 - C. Clemenger, E. J. Cook, A. W. O'Heir, N. D. McNally, P. M. A. Lantry, B. Stanley, C. B. Brown, C. F. Hill, B. H. Brown, W. E. Addicoat, C. Barnes, J. D. O'Meally, E. R. Norman, J. L. Cody, J. V. Stapleton, E. R. Scott, D. C. L. Payne, C. R. Lambert, A. H. Davey, A. J. Pickering, and R. White, Department of the Treasury.
 - E. Dean, Postmaster-General's Department.
 - R. Dooley, Department of Works and Railways.
 - C. G. P. Edmonds, Department of the Treasury.
 - G. T. Evans and J. H. Shepherd, Department of the Treasury.
 - L. H. Griffiths, Postmaster-General's Department.
 - E. R. Halse, R. A. Whitelaw, A. J. Drummond, R. A. Crowe, J. W. Ryan, P. W. G. Bennett, T. A. R. Rooke, H. E. J. Woodland, C. C. Christie, P. S. McGovern, T. L. Lea, T. Goggin, L. V. Kennedy, G. A. Forster, T. W. Canty, and N. H. Ramsden, Department of the Treasury.
 - J. A. McGlynn, Postmaster-General's Department.
 - W. M. Murphy, E. T. Domeney, and C. B. Hughes, Department of the Treasury.
 - A. S. Murray, Department of the Treasury.
 - L. H. T. Powell, Postmaster-General's Department.
 - C. P. Shaw, I. G. Keating, and L. Knibbs, Department of the Treasury.
 - A. H. Smith, Department of the Treasury.
 - M. H. Tait, Postmaster-General's Department.
 - H. Theggie, Department of the Treasury.
 - H. E. Tregaskis, Department of the Treasury.
 - J. A. Wilson and H. R. Griffiths, Department of the Treasury.
- Regulations amended—Statutory Rules 1920, Nos. 237, 238, 241, 263, 266, and Statutory Rules 1921, Nos. 29, 57, and 58.
- Railways Act—By-law No. 19.
- Seat of Government—
- Ordinances of 1920—
 - No. 2—Rates.
 - No. 3—Stock.
 - Ordinance of 1921—
 - No. 1—Stock.
- Service and Execution of Process Act—Regulations—Statutory Rules 1920, No. 136.
- Trading with the Enemy Act—Regulations amended—Statutory Rules 1921, No. 47.
- Trading with the Enemy Act, Treaty of Peace (Germany) Act, and Treaties of Peace (Austria and Bulgaria) Act—Regulations—Statutory Rules 1921, No. 10.
- Treaties of Peace (Austria and Bulgaria) Act—Regulations—Statutory Rules 1921, Nos. 45 and 63.

Treaty of Peace Act—Regulations amended—Statutory Rules 1921, No. 13.

Treaty of Peace (Germany) Act—Regulations amended—Statutory Rules 1921, No. 46.

War Gratuity Acts—Regulations amended—Statutory Rules 1920, No. 217.

War Precautions Act and Land, Mining, Shares, and Shipping Act—Regulations amended—Statutory Rules 1920, Nos. 93, 95, and 172.

War Precautions Act Repeal Act—Regulations amended—Statutory Rules 1920, No. 257, and Statutory Rules 1921, Nos. 3 and 14.

War Service Homes Act—Land acquired under at—

Ashfield, New South Wales.
 Auburn, New South Wales.
 Banksia, New South Wales.
 Bathurst, New South Wales.
 Bowral, New South Wales.
 Burwood, New South Wales.
 Carlton, New South Wales.
 Chatswood, New South Wales (2).
 Collie, Western Australia.
 Coogee, New South Wales.
 Corowa, New South Wales.
 Cremorne, New South Wales.
 Geelong, Victoria.
 Goulburn, New South Wales (2).
 Granville, New South Wales.
 Hamilton, New South Wales (4).
 Kogarah, New South Wales.
 Leichhardt, New South Wales.
 Lismore, New South Wales (3).
 Longueville, New South Wales.
 Manly, New South Wales.
 Mascot, New South Wales (2).
 Milton, New South Wales.
 Moss Vale, New South Wales.
 Parramatta, New South Wales (3).
 Penrith, New South Wales.
 Port Kembla, New South Wales.
 Stockton, New South Wales.
 Teongabbie, New South Wales.
 Waratah, New South Wales (4).
 Waverley, New South Wales.
 Weston, New South Wales.
 Willoughby, New South Wales.
 Wona, New South Wales.
 Woollahra, New South Wales (3).

Revocation and Partial Revocation of Notification of Acquisition of Land under at—

Cheltenham, Victoria.
 Geelong, Victoria.
 Islington, New South Wales (2).
 Tighes Hill, New South Wales.
 Waratah, New South Wales (2).
 Weston, New South Wales (3).

Wireless Telegraphy Act—Regulations—Statutory Rules 1920, No. 256.

DAYS OF SITTING.

Motion (by Mr. HUGHES) (*by leave*) agreed to—

That unless otherwise ordered, this House shall meet for the despatch of business at three o'clock on each Wednesday afternoon,

at half-past two o'clock on each Thursday afternoon, and at eleven o'clock on each Friday morning.

AUSTRALIAN COUNTRY PARTY.

Dr. EARLE PAGE.—(*By leave*).—I desire to inform the House that at a meeting of the Australian Country party held yesterday, the honorable member for Ccrangamite (Mr. Gibson) was elected secretary, the honorable member for Dampier (Mr. Gregory) Deputy Leader, and myself Leader of that party.

SHIPBUILDING CONTRACT.

INTERIM REPORT OF PUBLIC WORKS COMMITTEE.

Mr. POYNTON.—During the recess the Parliamentary Standing Committee on Public Works furnished to His Excellency the Governor-General an interim report in connexion with its inquiry into the Kidman and Mayoh shipbuilding contract. In view of the very definite findings of the Committee, steps have been taken by the Government to recover from the contractors the amounts paid to them in respect of the said contract. I now lay the report on the table of the House, and move—

That the paper be printed.

Question resolved in the affirmative.

SENIOR CADETS: ANNUAL TRAINING.

Mr. BOWDEN.—I desire to ask the Assistant Minister for Defence whether any determination has been arrived at in regard to the request made to the Department to shorten the seventy days' annual training now required of Senior Cadets?

Sir GRANVILLE RYRIE.—I would refer the honorable member to a statement made by the Minister for Defence (Senator Pearce), and published in the press, in which it was announced that the consideration of this matter was deferred pending the return of the Prime Minister (Mr. Hughes) from England.

THE HONORABLE MEMBER FOR ROBERTSON.

Mr. FLEMING.—In the Melbourne newspapers of the 11th and 12th ultimo, the Treasurer was reported to have said

that he was as surprised as any one to hear that Mr. Fleming had joined the Country party, and that the honorable member had given no intimation of his intention so to do. I wish to ask the Treasurer whether he ever made any such statement?

Sir JOSEPH COOK.—I believe that what purported to be an interview with me was published in the newspapers about the time mentioned by the honorable member. All that I know of that interview is that a reporter met me on the steps of the Treasury as I was leaving for home and plied me with the usual questions. I parried those as best I could, and I remember my last words to the reporter were—"I have nothing whatever to say about Mr. Fleming's retirement." The rest is due to a very enterprising reporter.

AUSTRALIAN WHEAT BOARD.

Mr. TUDOR.—Seeing that the Government is represented on the Australian Wheat Board, I desire to know whether it is a fact that over 1,000,000 bushels of wheat have been sold to Germany at 7s. 9d., or 7s. 6d. f.o.b., while the people of Australia are paying 9s., and, for fowl feed, 10s. 6d. per bushel?

Mr. HUGHES.—I am unable to supply the information for which the honorable gentleman asks. It is true that the Commonwealth is represented on the Wheat Board, but any honorable colleague, Senator Russell, not myself, attends that Board. So far as I know, no wheat has been sold to Germany f.o.b.—it has been sold c.i.f.

Mr. TUDOR.—But that will work out at 7s. 6d. f.o.b.

Mr. HUGHES.—I shall tell the honorable member all I know, though it is not very much. Because freights have varied, and are varying, very considerably, and as the whole of the wheat has not been shipped, but as, I understand, only a comparatively small portion has been despatched, it is impossible to say what the f.o.b. equivalent of the c.i.f. price is of the wheat sold to Germany. But I may remind the honorable member of a statement I made, which appeared on Saturday, showing that the average price that this wheat has been sold at is more

than the price which the people of this country have been asked to pay.

WAR SERVICE HOMES COMMISSIONER.

PUBLIC ACCOUNTS COMMITTEE INQUIRY.

Mr. FOWLER (Perth) [3.24].—I beg to present the interim report from the Committee of Public Accounts on the transactions of the War Service Homes Commissioner with Mr. J. T. Caldwell. I move—

That the report be printed.

Dr. MALONEY (Melbourne) [3.25].—I should like to move an amendment, in view of what appears to be a desire to hide the evidence given at this inquiry. As the representative of Melbourne, I asked for copies of the evidence, and this I did at the request of no fewer than three legal firms in Melbourne. However, the Chairman of the Committee, the honorable member for Perth (Mr. Fowler), refused to comply with my wishes; and I now urge on the House that, in the interests of justice, this evidence should be printed so that it may be available in case any prosecutions should arise. I must say I was astonished at the refusal of the Chairman of the Public Accounts Committee to supply me with the evidence.

Mr. FOWLER.—I could not give the evidence to the honorable member, because it belongs to the Parliament. The evidence will be laid on the table of the House as soon as it is available. The honorable member ought to be sure of his facts before he makes an accusation against the Committee.

Dr. MALONEY.—The honorable member should not get out of temper simply because he has been overwhelmed in another matter. This evidence was given in public, and, as a member of the House, I maintain that I am entitled to see it.

Mr. FOWLER.—The whole of the papers will be laid on the table. I am only carrying out the instructions of the Committee.

Mr. HUGHES.—I have no objection to the evidence being printed.

Amendment (by Dr. MALONEY) agreed to—

That after the word "Report," the words "and evidence" be inserted.

Question as amended resolved in the affirmative.

NAVAL CONFERENCE.

Mr. WEST.—Is it correct, as reported in the press, that Admiral Grant, who attended the recent Naval Conference at Singapore, reported, through his secretary, to the Naval Board, instead of to the Minister for Defence? Is it a fact that this report was overhauled by the Board before the Minister saw it—that the Board superseded a Minister of the Crown?

Mr. LAIRD SMITH.—So far as I know, that press report is not correct.

DOUBLE INCOME TAX.

Sir ROBERT BEST.—In view of the result of the recent Conference held in England concerning the adjustment of double income-tax payment, I desire to know whether the Treasurer proposes to introduce the legislation necessary to carry out the conclusions then arrived at? The British Government has already done its part, and I wish to know whether we are prepared to do our part in order to give the necessary relief?

Sir JOSEPH COOK.—Naturally, legislation of that kind will form part of the financial proposals for next year. There can be no doubt as to what these proposals will be; so far as I can see at present, they will be to fall in with the arrangement which has been made.

Sir ROBERT BEST.—That means legislation.

Sir JOSEPH COOK.—The legislation will be submitted as part of our financial proposals next year.

WAR SERVICE HOMES.

Mr. CHARLTON.—Is it a fact that the Acting Minister for Repatriation appointed a committee to inquire as to applications made by returned soldiers for the purchase of homes already erected; and, if so, has that committee reported, and what does the honorable gentleman intend to do in the matter?

Mr. RODGERS.—It is a fact that a special tribunal was appointed on the representations of certain honorable members of this House. It is also a fact that an interim report has been received, and definite action taken on it by the Government. That action has been publicly announced.

SHIPBUILDING CONTRACTS.

Mr. GREGORY presented the report of the Public Works Committee, together

with the minutes of evidence, relating to the shipbuilding contract of Messrs. Kidman and Mayoh.

Ordered to be printed.

THE GOVERNMENT AND THE "AGE."

Mr. MATHEWS.—The Government, having weathered all the storms of attack lately, will the Prime Minister kindly inform us how he made the *Age* climb down?

Mr. SPEAKER (Hon. Sir Elliot Johnson).—Order! That is not a proper question to put to the Prime Minister.

ZINC CONCENTRATES.

Mr. CONSIDINE.—Is the Prime Minister now prepared to lay on the table of the House the contract made between the Imperial Government and the Zinc Producers Association of Australia for the sale of zinc concentrates? The Prime Minister will recollect that I asked several times, when the House was last in session, for that document to be tabled. I should like to know whether there is any reason why it should not be made public now?

Mr. HUGHES.—If the honorable member is in possession of information to the effect that that contract has now been settled, I can only say that no such information has reached me. I will place myself in communication with the other party, or, if necessary, with the British Government, in order to ascertain if the matter has been settled, and, if so, a copy of the contract will be laid upon the table. I have had no information since I last had the honour of replying to the honorable member upon the subject.

SAVINGS BANKS.

Mr. BLUNDELL.—In view of the fact that an arrangement has been made between the Queensland Government and the Commonwealth Bank to prevent competition between the State and Federal Savings Banks in that State, will the Treasurer endeavour to arrange a conference between the Commonwealth Bank and the State Savings Bank in South Australia, with the view to arriving at a similar arrangement in that State, and thus prevent a continuation of the waste of money that is now taking place?

Mr. RICHARD FOSTER.—We do not want that arrangement.

Sir JOSEPH COOK.—I think it would be an excellent thing if what was done in Queensland by my predecessor could be done in South Australia also.

Mr. RICHARD FOSTER.—It is not likely to be.

Sir JOSEPH COOK.—I am afraid the honorable member has not made himself acquainted with the advantageous character of the bargain as it affects the States, or he would not be so much opposed to it. I invite him to look into the details of that arrangement. If he does so he will see that the States have everything to gain and nothing to lose by it.

WAR SERVICE HOMES.

Mr. RILEY.—I ask the Minister representing the Minister for Repatriation if he has any objection to laying upon the table the report of Mr. Stinson in regard to War Service Homes and the evidence taken in connexion with his inquiry?

Mr. RODGERS.—The operations of the tribunal of which Mr. Stinson is chairman are not yet concluded. The tribunal was asked to deal with very urgent cases, and did so. An interim report has been submitted. When the inquiry is completed the whole of the information, if desired, can be laid upon the table.

TASMANIAN MAIL CONTRACT.

Mr. ATKINSON.—In view of the fact that the *Nairana* has arrived to take up work in connexion with the Bass Straits mail service, can the Postmaster-General say how long the present contract has to run?

Mr. WISE.—I will furnish the honorable member with a reply.

HIGH COMMISSIONERSHIP.

Mr. RYAN.—Will the Prime Minister say whether the Government have come to any decision in regard to filling the office of High Commissioner for Australia in London, and, if so, who is the proposed appointee?

Mr. HUGHES.—We have come to a decision, but it is that kind of decision which does not necessarily involve a satisfactory answer to the second part of the honorable gentleman's question.

ADJOURNMENT (Formal).

DISMISSALS FROM COCKATOO DOCKYARD: SHIPBUILDING.

Mr. SPEAKER.—I have received from the honorable member for Dalley (Mr. Mahony) an intimation that he proposes to move the adjournment of the House, in order to discuss a definite matter of urgent public importance, namely, "The wholesale dismissals from the Naval Dockyard, Cockatoo Island, and matters in connexion with the administration of the dockyards and shipbuilding generally."

Five honorable members having risen in their places,

Question proposed.

Mr. MAHONY (Dalley) [3.27].—I regret the necessity for having to move a motion of this description to-day, especially upon a matter affecting the welfare of so large a number of Australian residents. The action of the Government, or the Naval Board, or whoever was responsible for the sudden dismissal of a very large number of men from their employment at Cockatoo Dockyard, came as a shock, not only to representatives of the Labour party in this House, but also to many honorable members who are sitting behind the Government. This action seems to have been taken in the most heartless and ill-considered manner possible. The employees at Cockatoo were engaged upon work which was expected to continue for a lengthy period, but, without a word of warning, a notice was sent to the Dockyard from the Naval Board that nearly 2,000 men were to be discharged. I telegraphed to the Minister for the Navy (Mr. Laird Smith), who, I understood, was in charge of Naval affairs and controlling the Dockyard authorities, and I received a reply, not from the Minister, but from an official, which, without intimating that the Department was prepared to give any explanation, referred me to the Treasury. As a parliamentary representative, I protest strongly against such treatment. My wire to the Minister warranted the courtesy of a reply, if not from him, at least, in his absence, from the Department. But the officials merely intimated to me that my communication had been referred to another set of officials in another

Department. However, after a good deal of sparring in connexion with the matter, we found that, although the Minister for the Navy was not prepared to make any explanation to me—his silence was that of the grave—the Treasurer (Sir Joseph Cook) jumped into the arena and said that the explanation for the dismissals lay in the fact that the whole of the money voted for new naval construction had been exhausted. I want to point out, in the first place, that it could not have been a sudden discovery that all the money for new naval construction had been exhausted. Every month a statement is forwarded to the Naval Board showing exactly what work has been done in the various naval yards—Cockatoo Island, Garden Island, and elsewhere—and in that way the Minister for the Navy ought to have known what his officials clearly must have known, namely, the amount of money which had been expended out of any particular vote. In fact, for months past the Department must have been aware of the position of the various funds. Yet no warning was given to the men. At almost a moment's notice they were suddenly thrown out on the street. In my opinion, they were at least deserving of some notice of the intention of the Government.

As the dismissals were not confined to men engaged in new naval construction work, but embraced all classes of workers, the only case put up on behalf of the Crown, namely, the contention of the Treasurer as to the lack of funds, must fall to the ground. Hundreds of men were discharged who were engaged upon merchant ship construction, upon ordinary maintenance work, and upon repair work generally, but according to the Treasurer ample funds were available for this class of work.

Sir JOSEPH COOK.—Is there anything novel in that?

Mr. MAHONY.—There is something novel in it to me, although possibly it might not be novel for honorable members opposite to throw men out of work in this heartless fashion.

Sir JOSEPH COOK.—Does not the honorable member know that men are always coming and going at the dockyards?

Mr. MAHONY.—Yes, men engaged upon casual work, but some of the men of

whom I am speaking have not been engaged upon casual work. My complaint is that men who have been employed at Cockatoo Island for thirty or forty years, who were engaged, not upon new naval construction, but in assisting in the preparatory work for the construction of the projected 12,500 tons merchant ships, have been thrown out of work in such a heartless fashion. It could not have been for lack of funds, because the Treasurer admitted to the representatives of the men in Sydney that ample funds were available for the purpose of proceeding with the work of merchant ship construction. I also complain on another ground. At Cockatoo Island, as is the case with all dockyards where large numbers of men are employed, there is always liability to accidents, and a number of men have met with accidents while employed there. They were entitled under the State and Commonwealth laws to certain financial compensation—in this regard their legal position was undoubted—but they compromised with the Government, and, instead of receiving monetary compensation for their injuries, accepted a lighter form of occupation in the yard with the promise of permanency. These men have also been thrown out of work in a ruthless fashion, although, so far as the industrial turmoil outside is concerned, they are on the scrap-heap, because, owing to the injuries they have received, they are utterly unfitted to follow their occupations in competition with others. Therefore, the Government are not only acting heartlessly, but are also breaking a moral agreement they entered into with these men. Had the men gone to the Courts upon their legal rights they would have been granted monetary compensation for loss of limbs or other injuries sustained, but, believing that the Government would act in an honorable way, they compromised with them, and now they find themselves thrown out of work. I can supply the Minister with the names of very many men who have been affected in this way.

In view of the fact that the Treasurer has told us that ample funds are available for new merchant ship construction, I would like to point out that there are thousands of tons of material—frames, plates, angle bars, &c.—lying at Cockatoo

Island in readiness for merchant ship construction. There is a vast amount of preparatory work to be undertaken in handling that material, so that when the Commonwealth are prepared to proceed with shipbuilding it will all be ready to go right into its place. Eventually this would lead to economy. Men could be employed economically and well on that class of work, and, on the Minister's own statement, ample funds are available therefor. Why, then, does not the Minister make provision to employ men at that particular work? There is another very serious aspect of the matter. After years of experience on the island, an expert shipbuilding staff has been built up. Previously, Australia had been handicapped by lack of men with the necessary training and experience to make the industry successful; but as an outcome of shipbuilding activities during the war years, we have now a trained staff, together with expert workmen. However, the action of the Government means that these experts will be scattered. Some of the very best men on the island, in regard to whom no action has been taken by the Government to retain their services, will be snapped up by private firms and lost altogether to the Commonwealth industry.

The Government suddenly stepped in and stopped work on the *Adelaide*. The Treasurer (Sir Joseph Cook) stated in Sydney that he would not make money available to proceed with work on that vessel. Why will he not do so? The Prime Minister (Mr. Hughes) is reported to have stated in Sydney, according to the *Evening News* of the 11th March last, that the Treasurer might make a Treasurer's advance against the vote that Parliament be asked to make for shipbuilding. Thus, it is explained, the Treasurer had power, if he liked to make funds available, to permit the work to proceed on the *Adelaide*; and the men need not have been discharged. The Treasurer told a deputation of the men in Sydney that he did not intend to make any money available for further work upon the *Adelaide*. What is he going to do with the *Adelaide*? Does he propose to leave her to lie and rot in Sydney Harbor?

Sir JOSEPH COOK.—No; absurd!

Mr. MAHONY.—Then what does the Treasurer propose to do with her? She

is lying there as a spectacle for the people of Sydney.

Sir JOSEPH COOK.—Nothing has been altered. She has been lying there for two years.

Mr. MAHONY.—Why? When her keel was laid, in 1917, she was launched within eight months. That period compares favorably, in respect of similar work, with the work of any naval shipbuilding yard in the Empire. The laying down of the keel and the launching of the hull within eight months implies very rapid work. For those engaged upon this new industry in Australia to be able to compete so well with the Old Country, and create an actual record, speaks volumes for the efficiency of the men at Cockatoo Island. However, after the hull had been launched, she was left tied up to one of the wharfs. By the instruction of the Naval Board the whole of the activities on the *Adelaide* were stopped. The purpose was a very good one, I am bound to admit. At that period the whole of our transports were returning with troops, at the conclusion of the war. These craft had to be refitted and handed over to the original owners; they were urgently wanted for oversea and Inter-State commerce. The whole of the men available at Cockatoo Island were therefore put on to the task of reconditioning. The outcome of all this was, however, that for about nine months only three men were actually employed on the *Adelaide*. She remained for about eighteen months with practically no work whatever being carried out upon her.

Sir JOSEPH COOK.—What about lack of requisite machinery?

Mr. MAHONY.—There was "tons" of work which could have been proceeded with on the *Adelaide*. The administration, no doubt, had acted rightly—and I do not complain—in taking the men off and placing them on the reconditioning of transports. But to blame the men for the delay in the construction of the *Adelaide*, in view of the facts known, is so much nonsense.

Mr. McWILLIAMS.—Is it a fact that there were putty bolts in the *Adelaide*?

Mr. MAHONY.—No; that is another story, which I propose to tell on another occasion. The allegation does not apply to the *Adelaide*. For two years the

Adelaide lay untouched. • That is the reason for the delay in her completion. As work on the transports was ending, the responsible official of the Naval Board gave instructions to the dockyard authority to proceed with the completion of the warship; and, as the men became available, they were put on to the *Adelaide*, so that there would be no dismissals or dislocation of the highly-trained staff. Suddenly, however, came the word to stop. From whom, or whence, or why, I do not know; but work ceased. It was necessary to proceed with it; it is necessary to-day. The Prime Minister (Mr. Hughes) said money could be made available. I accept his word. The Treasurer can do as the Prime Minister has suggested. Why does he not make money available from the source indicated? The warship is lying unfinished in the harbor. She is needed as a fully equipped and commissioned unit. We never know how soon we may want that vessel; and notwithstanding all the sneers and hints that she is already obsolete, it will be found that she is one of the most modern and up-to-date vessels of her class afloat to-day.

Mr. HUGHES.—With respect to the honorable member's quotation of remarks alleged to have been made by myself, I do not know whether he makes a point of them; but I am quite sure that I never made them. I do not know that quotation is very relevant. I do not think it matters much.

Mr. MAHONY.—What does not matter?

Mr. HUGHES.—I am sure that I never said anything in the remotest degree like it.

Mr. MAHONY.—I did not say that the Prime Minister said what the Sydney *Evening News* reported him to have said. I stated that he was so reported. The Treasurer could, as a matter of fact, make money available from his Advance Account. Will the Prime Minister deny that?

Mr. HUGHES.—I do not deny it. Whatever Parliament desires can be done. The only limitation is in respect to finance.

Mr. MAHONY.—The Government have the power to do what is necessary. We are told that the funds for new naval construction have been exhausted, and

that, therefore, work on the *Adelaide* has been stopped; yet the Government are going on with the *Moonbah*; and every honorable member knows that the money is being provided out of the Treasurer's Advance. In the same way, pending a parliamentary vote, money could be made available for the completion of the *Adelaide*. Therefore, it was unnecessary to discharge the men who have been discharged, and the Minister responsible for their dismissal should explain his action. The Treasurer admits that money could be made available, and the Minister for the Navy will not deny that the *Adelaide* is needed, and will be, when constructed, a good, up-to-date vessel. Why, then, have men been discharged before her completion if it is not that Ministers desire to create an army of unemployed? I should be sorry to think that; but the facts are forcing me to that opinion.

I wish now to say a few words about the keep-it-dark, secret inquiry at Cockatoo.

Sir JOSEPH COOK.—Rubbish!

Mr. MAHONY.—It is not rubbish. I wish to know all about it, and the people of Australia will wish to know all about it. A Board of Inquiry was suddenly appointed to investigate the serious allegations concerning the Cockatoo and Garden Island establishments. Rumour says that thousands of pounds worth of material have gone astray.

Mr. AUSTIN CHAPMAN.—Hundreds of thousands of pounds worth.

Mr. MAHONY.—It has been said, too, that private companies were charging against the *Adelaide* and other warships material and time put into their own work. A Board of Inquiry was appointed secretly. We are supposed to know nothing about it. However, we found out about it, and, desiring to assist the Government in maintaining purity of administration, I suggested that a representative of the men should be present during the inquiry to help in the investigation. If anything wrong has been happening, no one should be in a better position for helping to discover it than the workmen concerned. But when I made the suggestion to the Chairman of the Board, a Mr. Deacon—another of these newly-appointed Naval gentlemen—I was curtly informed by him that the

matter had nothing to do with me, or with the men, and that he was conducting the Inquiry. Thereupon I intimated to him rather forcibly that I should have something further to say about the matter.

Sir JOSEPH COOK.—He should have remembered that it is your dock.

Mr. MAHONY.—It is a pity that I have not more say in the management of the dock. It would be better for the country if I had.

Mr. TUDOR.—Surely you, as an Australian, should have more to say than a man who has been here only a few months.

Mr. MAHONY.—This Mr. Deacon, who has hardly been a dog-watch in the country, told me, who have been in Australia all my life, that the matter has nothing to do with me. But it has everything to do with me and with the people of Australia.

Mr. RILEY.—What qualification has Mr. Deacon for conducting the inquiry?

Mr. MAHONY.—I have ascertained that he has been in Australia only a few months, and has had no experience in the conduct of an inquiry such as this, and has never been on a Board like the present. As a matter of fact, the manner in which he is conducting the inquiry is a standing joke on Cockatoo Island. My suggestion was made to assist the investigation, and I was practically insulted by this imported "cockie" for making it. As an Australian, I object to this, as any other Australian would.

Extension of time granted.

Serious allegations must have been made to Ministers to cause them to appoint the Board. Will they not tell us what the charges were, and who made them? We wish to know more about the matter. We wish to know, also, why the Board refused to allow a representative of the men to assist them in clearing up things, and in showing whether there is or is not anything wrong. If there is anything wrong, the person responsible should pay the penalty, and in the public interest the matters should be cleared up. They can be cleared up only by an open inquiry, not by keeping things dark. As representing the workmen, I say, clearly and definitely, "We have nothing to be afraid of, and welcome an inquiry. We

are prepared to do everything in our power to assist the Government in clearing up matters."

Sir JOSEPH COOK.—I represent more of the men at the Dock than the honorable member does.

Mr. MAHONY.—If the right honorable gentleman stands for Parramatta again, not many of them will vote for him. That may be one of the reasons why he is going to take the High Commissionership. *Smith's Weekly* is a newspaper that circulates throughout Australia, and in its issue of 2nd April it publishes a serious statement. If there is nothing in this statement, let us know. If there is nothing wrong, what is there to be afraid of? But if anything is wrong, let the person who is responsible bear the blame. Under a big-type caption—"What is wrong at Cockatoo?" there appears this statement—

TRACKED TO JERVIS BAY.

Material belonging to the dock has been traced to Jervis Bay. As it could scarcely have been conveyed there by workmen, there is every reason to believe that one of H. Majesty's Australian ships was employed to transport it to the southern port.

That is a serious statement, which should not be allowed to go unchallenged—

At any rate, some of it was recovered from private houses in and round the district, including Nowra.

The honorable member for Eden-Monaro (Mr. Austin Chapman) might listen to that. I do not say that the statement is true—because I do not know whether it is true or not—but in the interest of the purity of administration it should be cleared up. A lot of the work at Jervis Bay is under the control of the Naval Works Branch of the Department of the Minister for Works and Railways, and this is most significant: The gentleman holding the highest position in that branch in New South Wales—out of consideration for his family I do not wish to mention his name, and I do not know if he is still in the office—was prosecuted, and, on 1st February last, was committed for trial, on the serious charge of stealing material from Cockatoo Island. Nothing further was heard of the case until, after making inquiries, I learned that, at the instance of the Commonwealth authorities, the prosecution had been stopped.

Sir JOSEPH COOK.—Does the honorable member say that after the man was

committed for trial the Commonwealth authorities stopped the prosecution?

Sir GRANVILLE RYRIE.—Impossible.

Mr. MAXWELL.—It is not impossible, because they could enter a *nolle prosequi*.

Mr. MAHONY.—That is so, and a *nolle prosequi* was filed at the instance of the Commonwealth authorities. That is the statement I make, and it was published in the *Daily Telegraph* of Sydney. This man held one of the highest positions in the Naval Works Department in New South Wales. Some explanation is needed of the stoppage of the prosecution of the serious charge against him. I have no desire to persecute any one, but if this man is innocent, let the people know it, and do not allow him to remain under the stigma of having been committed for trial upon a serious charge.

Mr. RILEY.—A number of poor men accused of paltry offences were tried and convicted.

Mr. MAHONY.—I should mention that it is freely stated that the official to whom I have referred is related to a very prominent member of the Naval Board.

Mr. JAMES PAGE.—That is a serious allegation to make.

Mr. MAHONY.—It is true. It is stated that there is a relationship existing between this man and a prominent member of the Naval Board. That is the statement I stand to. Let honorable members contrast the action of the Government in dealing with this man with their action in the case of ordinary men working on the Island, who may pick up a piece of scrap which they may consider handy for some purpose. It may not be worth a penny, but the man is immediately grabbed by the policeman at the gate and placed under arrest, is haled before a Court, and dealt with. At the very time that the official to whom I have referred was committed for trial, and at the very same Court, other men were charged, dealt with, and fined. One man who, I hasten to say, was not a workman but a foreman civil engineer, was fined £15, whilst in the case of the "boss cockie" and head of the lot, the prosecution is stopped. The Government may have a good explanation to offer, but if so I am anxious to hear it in order that I may do no injustice to this man.

Mr. SPEAKER.—The honorable member's time has expired.

Mr. MAHONY.—I shall leave my statement at that. I trust that the Government will take immediate steps to see that all these matters are cleared up in the interests of the purity of administration of the Commonwealth.

Sir JOSEPH COOK (Parramatta—Treasurer) [4.30].—The honorable member who has just resumed his seat has succeeded in making a case that is just about complete for shutting the whole dockyard up until we can begin again under better conditions. If justification for closing up Cockatoo Island docks could be given we have had it to-day from the honorable member for Dalley (Mr. Mahony). There is nothing right at the docks, and everything is wrong. The officers are incompetent and dishonest, and all sorts of things are going on that should not be going on. If the honorable member's statements are correct, the best thing we can do is to suspend operations until the whole matter is cleared up.

Mr. JAMES PAGE.—What about the dismissed men and their wives and families?

Sir JOSEPH COOK.—I shall not miss that. I am the culprit in this matter. Let there be no mistake about that. Moreover, I am as interested in the docks as is the honorable member for Dalley, as there are many of my constituents working at the docks. All that I have to say with regard to the latest statements of the honorable member, is that I have just heard of them for the first time. I did hear that there were certain irregularities alleged over there, and the moment those things came to the ears of the Government a departmental inquiry, and not a purely naval inquiry, was set going. We were asked at the Treasury to nominate a competent accountant who would be capable of investigating these matters. The Minister for Home and Territories (Mr. Poynton) selected a man, the Treasurer selected another, and the Naval Board selected a third, and those three men have been making a preliminary inquiry. Honorable members may rest assured that these matters will be sifted to the bottom. If there have been dishonest practices at the dock, they must be stopped at once.

Mr. MAHONY.—The right honorable gentleman is not going the right way about it. Why not have an inquiry in the open light of day?

Sir JOSEPH COOK.—It may be in the open light of day.

Mr. MAHONY.—That is what we want.

Sir JOSEPH COOK.—We shall first see what this preliminary skirmish of ours suggests. We have so far had only innuendoes in the the newspapers, alleged statements, and rumours. That is all that the honorable member has given us to-day. He tells us that rumour says this and the other thing.

Mr. JAMES PAGE.—Rumour is sometimes right.

Sir JOSEPH COOK.—Very likely; but until we have something more we cannot proceed. We cannot investigate rumours by Royal Commission. The fullest and most searching inquiries will be made into all these things. Honorable members may rest assured that nothing will be left undone to trace home any wrong-doing, and to visit it with the proper consequences.

Mr. RYAN.—May I ask the right honorable member what was the nature of the irregularities that led to the preliminary investigation?

Sir JOSEPH COOK.—I am afraid I shall have to leave that to the Minister dealing with shipbuilding. I know but little about it, and he, no doubt, will be able to tell us more on that side of the question.

Mr. JAMES PAGE.—Then why is the right honorable gentleman "butting in"?

Sir JOSEPH COOK.—Because of the main point of the indictment of the honorable member for Dalley. He wants to know why the money was stopped, and why men were discharged from the island. As I remember the circumstances, I received a request from the Navy Department for £120,000 additional to the estimate that was passed by this Parliament. I asked for some explanation of the request, and I was told that the money had run out for work on the *Adelaide* and the *Moonbah*. Honorable members will recollect that each year for some years past, there has appeared on the Estimates an item of £300,000 for new construction. That vote is supposed to last for the year. Honorable members will please note the fact that the money comes from revenue and not from loan. I found when I came to investigate the matter, that at the very moment at which this request

for £120,000 was being made to me, my Department had a credit to the vote on its books of £75,000. What happens is this: When we get a yearly vote like that to which I have referred, we issue quarterly warrants making available a fourth of the total sum at the beginning of each quarter. I found that, up to the end of February, during only eight months of the financial year, every penny of the year's vote had been spent.

Mr. HECTOR LAMOND.—Without authority.

Sir JOSEPH COOK.—Not every penny without authority, but every penny in excess of three-fourths of the total vote made available.

Mr. JAMES PAGE.—If money is made available only every quarter, how could they expend a quarter's vote beforehand?

Sir JOSEPH COOK.—As I understand the matter, this is what occurred. Honorable members will recollect that a great deal of repair work was being carried on at the dock in the reconditioning of transports and work of that character. The volume of that work had fallen off since the troops have returned, and the transports are done with. There was, therefore, less work on the island than there was during the war, and what has happened has been that, instead of letting men go off as they were accustomed to do when the volume of repair work decreased, the manager, for some reason or another, crowded them all on to the *Adelaide*. That, I believe, is the cause of the trouble.

Mr. MAHONY.—Who told him to do so?

Sir JOSEPH COOK.—I believe that nobody told him to do so.

Mr. LAIRD SMITH.—That is what we are trying to find out through the Committee of Inquiry.

Sir JOSEPH COOK.—That is one of the things which the Committee is inquiring into.

Mr. MAHONY.—Ask the Naval Board.

Sir JOSEPH COOK.—The Naval Board have been asked, and they say that they did not authorize him to do this kind of thing. Of course, the honorable member knows more about these things than does anybody else. He seems to know every detail of what goes on at Cockatoo Island.

Mr. MAHONY.—Why should I not?

Sir JOSEPH COOK.—The honorable member knows all about it, and he informs the newspapers every day concerning what is going on at the island.

Mr. WEST.—It is quite right that, when the honorable gentleman cannot manage the affair, the honorable member for Dalley should step in and manage it.

Mr. MAHONY.—I am showing the right honorable gentleman how to carry out his job.

Sir JOSEPH COOK.—I am always a learner, even from Messrs. Mahony and West. I am concerned about making the country aware of the facts, and I say that I was asked to find money which this House had not voted. I declined to do so. I found that the vote for the year had been exhausted in eight months. It occurred to me that there was no particular urgency for the completion of the *Adelaide*.

Mr. MAHONY.—How does the right honorable gentleman know that?

Sir JOSEPH COOK.—If I am to make my statement, I shall do so; but I do not wish to be subjected to the honorable member's catechism?

Mr. MAHONY.—On what do you base the statement you have made?

Sir JOSEPH COOK.—I was going to say. This is the only bit of new construction we have in hand, no other new Navy construction having been authorized. It did occur to me that, as this boat has been three or four years on the stocks, and as £100,000 intended to complete her will be available during next year, or maybe when the new Naval Scheme of Defence has been settled at Home, it would then be quite time enough to consider the completion of this cruiser. I want to say, with regard to the *Adelaide*, that I have no sympathy at all with the criticisms of the vessel which have appeared in some of the Melbourne newspapers. A great mouthful is made of the fact that she will cost over £1,000,000. If we were building the *Australia* in London to-day, instead of costing £1,900,000 as she did, a similar boat to-day would cost well over £1,000,000. The cost of Naval construction has more than doubled at Home. It has only doubled here yet, so far as we are aware. There is, therefore, no reason to gird at the probable cost of the *Adelaide*,

and to talk of costly construction. In my judgment, the construction has not been costly, and I believe it has been efficient. It is time that people stopped deerying, as some are wont to do, everything that we undertake in Australia. We can build ships here, I believe, as well as they can be constructed anywhere else.

Mr. BOWDEN.—And as cheaply.

Sir JOSEPH COOK.—And as cheaply. The *Adelaide* will not cost one penny more than it would cost to-day in the Old Country.

The explanation, therefore, is very simple. I heard, with the very greatest regret and sorrow, that 1,600 men had been simultaneously discharged. I did not know that 1,600 men were going to be turned off at once, and in that respect somebody is to blame. It ought not to have been possible for such a body of men to have been cut off from the works as suddenly as if a bolt from the blue had fallen. They should have been given reasonable notice.

Mr. RILEY.—They were discharged because of a telegram from the Naval Board.

Sir JOSEPH COOK.—The Naval Board had no right to authorize the carrying on of work for a minute longer than the funds available would allow.

The point to be cleared up is who proceeded to spend this money without authority. Having spent the whole of the vote, they had no other course but to turn away these men when there was no more money available for their payment. I wish it to be understood that while I am at the Treasury I will not be bludgeoned by any Department, by any officials, or by any persons in that way. We have the Estimates as passed by Parliament, and we are making a great effort just now to confine our spendings within those Estimates. It is not possible, however, to do so, and I shall have something more to say before very long concerning that aspect of the matter. There are some items which I cannot control—obligations which must be met, even without waiting for the authority of Parliament. One of these is the increase in wages and salaries granted by the Courts—the payment of

the basic wage, and matters of that kind—approved by this House, but for which no Estimates have been framed. The payment of the basic wage alone will run into something like £800,000 or £900,000. There are other items of the kind which I must meet; but when Parliament places on the Estimates a sum of money to provide for the construction of a vessel or for the carrying out of some other work, it is my duty, as far as possible, to keep that work within the compass which Parliament has set for it. [*Extension of time granted.*] This, then, is the explanation: I was faced with the position that, at a moment's notice, on my own initiative, I was to increase by 25 per cent. the vote passed by Parliament. I absolutely declined to do so.

Mr. MAHONY.—What is the Treasurer going to do about the men out of work?

Sir JOSEPH COOK.—I am going to tell the House. It appears to me that a mistake has been made on the island in respect to the two vessels under construction. When the Minister for Home and Territories (Mr. Poynton) and I went over to investigate this matter, we found that whereas the manager had been operating the *Adelaide* with about from 450 to 500 men, he suddenly, in November last, jumped up the number to 800, then to 900, later on to 1,000, and finally to 1,100, until the whole bubble burst. That is exactly what happened. It would have been infinitely more sensible, if the manager wanted to concentrate the men on a particular vessel, to have concentrated them on the *Moonbah* and got her off the slips, since, until the *Moonbah* is launched, a start cannot be made with any of the other work awaiting attention.

Mr. MAHONY.—The Treasurer knows, of course, that it was impossible to put on the *Moonbah* more men than were employed on it.

Sir JOSEPH COOK.—The honorable member appears to know that; but I do not. The honorable member, I believe told the public of New South Wales that we had turned down a contract with the City Council which would have provided plenty of work for these men.

Mr. MAHONY.—Hear, hear!

Sir JOSEPH COOK.—The fact is, and every one on the island knows it, that we could not have put the men on

the City Council's work for at least nine months.

Mr. MAHONY.—Bunkum!

Sir JOSEPH COOK.—Men on the island say it is not bunkum, but the truth. The engineer of the City Council says it is the truth, and so does the manager of the island, but the honorable member says it is bunkum. I am afraid we shall have to take the opinion of these responsible and competent gentlemen, who know all about the matter, in preference to the statements of my honorable friend. To begin with, there are no plans or drawings in existence in connexion with the work to which he has referred, and the machinery for that job would have to be imported from the Old Country.

Mr. LAIRD SMITH. — Patent rights would also have to be arranged.

Sir JOSEPH COOK.—Patent rights would have to be adjusted.

Several honorable members interjecting,

Mr. SPEAKER (Hon. Sir Elliot Johnson).—Order! I would remind honorable members that there is a time limit to this discussion, and that each honorable member can speak for only fifteen minutes.

Sir JOSEPH COOK.—I do not think I will say any more, in view of these interruptions.

Mr. CHARLTON.—Tell us about any money that can be made available.

Sir JOSEPH COOK.—Nothing can be done to make money available until the *Moonbah* is moved off the slips. That, I understand, can be done for £6,000, and I have made that amount available. As soon as the *Moonbah* is launched the slip is to be widened to accommodate the larger vessels to be built. When that is done a start will be made with the construction of these other vessels, in respect of which there are already assembled something like 5,000 tons of material. For that there is money, and the sooner the work can be done the better; but I do not know that all our talk here will facilitate it by even one minute.

Mr. MAHONY.—If the Government can employ men in that way, why are they not doing so?

Sir JOSEPH COOK.—We are.

Mr. MAHONY.—No men are being employed on the material for the big merchant ships. Men could be put on to prepare that material. The Treasurer says he has the money available for the purpose.

Sir JOSEPH COOK.—There is money for the payment of any man who can be usefully employed.

Mr. MAHONY.—Then why are these men not employed?

Sir JOSEPH COOK.—I do not know. I am not the manager of the dockyard. The honorable member appears to know more about the work of the dockyard than does the manager himself. I can only say that instructions have been given to get the *Moonbah* off the slips at the earliest possible moment. The sooner that can be done and the slip widened so that the assembling of material for the big vessels can be proceeded with, and as many men put on as can be employed in that way, the better for us all. I heartily wish we could do something speedily to bring back some of these men. I deeply regret what has occurred. I take my share of the responsibility in so far as the curtailing of money is concerned, but I have adopted that course in an honest attempt to try to keep the spending of the various Departments within the Estimates passed by this House. As for anything else I accept no responsibility. In conjunction with other honorable members, I can only express my deepest regret at the inconvenience, trouble, deprivation, and perhaps, in some cases, the suffering, that has been caused by the unnecessary and, in my opinion, wrongful sudden discharge of these men. I hope that they will soon be employed.

Mr. WATKINS (Newcastle) [4.41].—I understand that several honorable members desire to discuss this question, and I would therefore ask the Treasurer to move for an extension of the time limit.

Sir JOSEPH COOK.—I am prepared to agree to the time allotted to the debate being extended until 6.30 p.m.

Mr. SPEAKER.—Is it the pleasure of the House that the time allowed for the discussion of this motion be extended until 6.30 p.m.?

HONORABLE MEMBERS.—Hear, hear!

Mr. WATKINS.—The aspect of this question which I wish to discuss, and which comes within the scope of the mo-

tion, is quite distinct from that of the construction of naval vessels. It relates to the general policy of Government shipbuilding. I do not wish to traverse from its very inception the history of the programme which has been mapped out by the Government. Honorable members are well acquainted with the fact that the Isherwood type of vessel has been built at two places at least in Australia, namely, in Melbourne, and at Walsh Island, near Newcastle. The Walsh Island dock is State-owned—it is not the property of the Commonwealth. But, immediately the Commonwealth Government outlined their shipbuilding programme, the Government of New South Wales expended considerable sums in establishing a proper dockyard, in order that they might participate in that programme. Up to the present time the Government of that State have expended upon plant and machinery installed on the Island no less a sum than £500,000. They have constructed six ships there, which, from the point of view of quality, will compare favorably with those built in any other portion of the world. Admittedly, the work has been faithfully performed. It was undertaken in the belief that the Commonwealth Government intended to continue its policy of shipbuilding with a view to thoroughly establishing the industry in Australia. Quite recently orders for the construction of some of these vessels were given to private firms. At Williamstown three ships have already been turned out, whilst at Walsh Island half-a-dozen, or thereabouts, have been constructed. But, for some reason or other, these private firms have been obliged to forgo their contracts, so that three ships which were to have been built by private enterprise are now to be built at the dockyard in Melbourne. I mention these facts merely for the purpose of showing how wide of the mark is the statement made by the Treasurer in reply to a deputation which waited upon him in connexion with this matter. Upon that occasion, he said that the whole of this shipbuilding should be carried out by private individuals. He made that statement at a time when private contractors had failed to carry out the contracts which had been intrusted to them by the Government of the day. A request has since been made that the Com-

monwealth Government should keep faith with the Government of New South Wales by allowing the latter to undertake the construction of at least one of these vessels.

Mr. BOWDEN.—I saw a statement the other day to the effect that the ships built in New South Wales were costing more than those built at Williamstown.

Mr. WATKINS.—I have heard that statement contradicted by the men who were engaged in the building of those vessels. I do know that some of the ships, which were supposed to have been built elsewhere for a little less than they could be built at Walsh Island, have since had to be sent to the latter place for repairs. It is idle to consider the expenditure of a pound or two more per ton upon ships if the result of that expenditure is in any way doubtful.

In my judgment, the Government are under an obligation to keep going the shipping industry at Walsh Island. Only some two or two and a half years ago a proposal was made by the Broken Hill Proprietary Company for the purchase of that island, with a view to the establishment of the shipbuilding industry there upon its own account. The company intended to proceed immediately with the construction of twelve vessels. At that time, however, so intent was the Prime Minister upon extending his shipbuilding programme and upon hastening the construction of vessels that, at his request, the New South Wales Government refused to part with the island. Yet, immediately the first contract by the State Government has been concluded, they are told that there is no more work for them to do, notwithstanding that the Prime Minister himself was instrumental in preventing them from disposing of the island to the company which I have mentioned. Personally, I have never favoured the adoption of the Isherwood type of ship. In the days of keen competition, the royalty which these vessels will carry so long as the Government own them will mean all the difference between a profit and a loss.

Mr. POYNTON.—Oh, no.

Mr. WATKINS.—I think it was a mistake to adopt the Isherwood type of vessel.

Mr. McWILLIAMS.—The honorable member does not mean that the type is

not a good one. He merely objects to the royalty?

Mr. WATKINS.—We cannot build the Isherwood vessels without paying a royalty upon them.

Mr. POYNTON.—Those vessels can be turned out cheaper than other vessels, even after paying the royalty.

Mr. McWILLIAMS.—Is the type of vessel all right?

Mr. WATKINS.—Any honorable member who will compare the life of an Isherwood ship with that of a cross section ship will recognise the advantages possessed by the latter.

Mr. TUDOR.—Does not the payment of the royalty cease when the Isherwood vessels have been built?

Mr. WATKINS.—No.

Mr. TUDOR.—Has the royalty to be paid each year?

Mr. POYNTON.—The royalty is payable upon the tonnage of the vessel only at the time she is built.

Mr. WATKINS.—I was under the impression that it was payable after that. In any circumstances, I am opposed to the construction of the Isherwood type of ship because of its disabilities as compared with a vessel which is constructed in cross sections. I think that the latter is a cheaper proposition in the end.

I come now to the proposal of the Government in regard to the building of bigger ships. It has been decided, I understand, to build immediately two of these vessels at Cockatoo. I know that a number of similar ships are being constructed in England.

Mr. POYNTON.—There are five vessels being built in England; but they have nothing whatever to do with the ships which are to be constructed here.

Mr. WATKINS.—Exactly. The Government scheme is that a certain number shall be built in Australia.

Mr. POYNTON.—The original scheme provided for the building of six of these vessels in Australia, and of five in England. It is now proposed to build two here.

Mr. WATKINS.—The Public Accounts Committee, amongst its other investigations, has inquired into the question of shipbuilding in Australia, and has made the following recommendations:—

(1) If it is the policy of the Government to remain in this industry, it is absolutely necessary that it shall be run on ordinary business

lines, free from political interference, and from such official control as is merely officious. Mr. Curchin, while admitting that he had a comparatively free hand, gave the Committee to understand that, as a Government servant, he found himself hampered and delayed in carrying on his work, and placed at disadvantage generally compared with his experience in private employment. Williamstown dockyard is under control of the Prime Minister's Department. The control is in many respects only nominal, still it is absurd that an order for £101 worth of shipbuilding materials should have to be submitted to, and indorsed by, presumably the Prime Minister, but probably by a clerk in the Department.

(2) At all the dockyards included in the Government programme there should be a uniform system of accountancy in operation. Annual balance-sheets of the shipbuilding scheme should be submitted to Parliament.

I come now to the crux of the Committee's recommendations, which reads—

Williamstown dockyard should be enlarged, and the lay-out re-arranged, in order to give the best results.

(4) Cockatoo Island dockyard should, in our opinion, be reserved for naval shipbuilding. Naval and mercantile shipbuilding are two distinct branches for which staffs have to be trained and maintained separately in the large dockyards of Great Britain, where both kinds of shipbuilding are carried on. In Australia we think it better to separate the two classes of work into different yards, thus enabling the staffs to concentrate on the particular branch allotted to it. As Cockatoo was intended primarily as a naval establishment, and has been equipped with that object in view, it seems unwise to add commercial shipbuilding to its activities. The dock might, however, continue to be utilized when available for docking merchant vessels. Cockatoo dockyard requires re-organization. There are too many supervisors, and there is too little supervision. There is much friction among the staff, and discipline is very lax.

(5) The construction of a variety of ships should be avoided. Standardization will reduce cost and facilitate construction. If variation be unavoidable, then each yard should be kept as much as possible to a particular type.

(6) Walsh Island seems best adapted for the construction of large ships.

Mr. MAXWELL.—Where is Walsh Island?

Mr. WATKINS.—It is at a place where more Customs and Excise revenue is collected than is collected in the whole State of Tasmania. It was in conformity with the policy of the Federal Government that this shipyard was established, and the work there has been carried out to the letter and up to date. We have the report of a committee of inquiry showing that it is the best yard at which to construct those large vessels; and all that is requested now is a share of the work

that is going; but that is refused by the Government, though it would be sufficient to tide the concern over the trouble. First of all, the State Government was requested not to sell this yard to any private company, but to reserve it for Commonwealth shipbuilding; but when that request is acceded to, the order goes forth that no more ships are to be constructed there. That, I really think, amounts to absolute repudiation. Even if this is a State dockyard, the men employed there are just as much Commonwealth taxpayers as any other employees in the State.

Mr. MARR (Parkes) [5.5].—This is a question which seriously interests myself and other representatives of the metropolitan area of Sydney. Certain allegations have been made, not only in this House, but in the press, and by the public at large, in reference to Cockatoo Island dockyard, which, if they are true, call for severe censure on the management. It appears to me that it was an ill-advised action to dismiss 1,600 men at five minutes' notice.

Mr. MAHONY.—That was on the instructions of the Naval Board.

Mr. MARR.—If there is one way in which revolution can be bred, it is by such action as that to which I refer. If the management of the dockyards cannot see more than five minutes ahead, and provide sufficient funds to meet current expenditure, it is not worthy of the trust reposed in it, and should be displaced. In my opinion, the dismissals at the dockyard started at the wrong end. I have never met Mr. Clark, who, according to report, is a most competent man; but when we come a little further down to the foremen of the various branches we realize the need for close investigation of the methods they employ in carrying out their work.

Mr. POYNTON.—Surely, that is Mr. Clark's responsibility?

Mr. MARR.—Whoever is responsible for the present position is worthy of censure and dismissal. We hear in Sydney, and throughout Australia generally, most serious statements made in regard to the manner in which the work is carried out at the dock; and a Royal Commission should be appointed to inquire as to their truth or otherwise. If the allegations, as the result of such inquiry, prove to be true, then those responsible should be penalized; on the other hand, if the statements are not true, the people who

make them should be penalized. These rumours do harm, not only to the dockyard, but to Australia as a whole. Australian tradesmen compare more than favorably with tradesmen anywhere else in the world; and it has been proved time after time, especially since the commencement of the war, that we can build ships here more cheaply than they can be built in either the Old Country or America, as a comparison of the cost per ton will show. These rumours, I again urge, ought to be proved or disproved, and punishment meted out to those who deserve it. It was said in this House at the beginning of the session that there were men at Cockatoo earning, on an average, £20 per week.

Mr. POYNTON.—As a matter of fact, the whole of the work referred to does not amount to £1,000 in the total cost of the ship.

Mr. MARR.—The statement as to men earning £20 per week was made by a member of the Opposition.

Mr. MAHONY.—That is not so; it was made by an honorable member on the Government side.

Mr. MARR.—At any rate, we know that Australian workmanship can compare with that in any other part of the world; and, that being so, we ought to be patriotic and support those undertakings which employ large numbers of men. By continual criticism of the administration of such works we bring discredit, not only on particular enterprises, but on Australia as a whole. I have heard a man say that he was given a position on the island, but that he walked around for three days without getting any job to do. In such a case the foreman in charge of the gang is surely responsible; on the other hand, if that man's statement is untrue he is not fit to be employed there.

Sir JOSEPH COOK.—Who was that man?

Mr. MAHONY.—Do not give any names unless a Royal Commission is appointed.

Mr. MARR.—My sympathies all go out to the returned soldiers, and there are some very hard cases amongst some who were recently dismissed. Some of these men are partly maimed, and have a small pension, but were re-employed at the dock from which they enlisted. At the same time, there are men with most disloyal

sentiments in their minds, with Sinn Fein tendencies, who—

Mr. MATHEWS.—You ought to be damned well ashamed of yourself!

Mr. DEPUTY SPEAKER (Hon. J. M. Chanter).—I must call upon the honorable member—

Mr. MATHEWS.—Oh, of course, I apologise. He is a damned disgrace to his party! The honorable member opposite cannot discuss the subject without introducing sectarianism. I am as good a Protestant as he is, any day.

The DEPUTY SPEAKER.—Order!

Mr. MATHEWS.—Well, I apologise, and say I am sorry.

Mr. MARR.—I do not think I said a word against any religious body, or any honorable member's religious belief.

Mr. MAHONY.—You certainly implied something of the kind.

Mr. MARR.—I do not think that Sinn Fein represents any particular church.

Mr. MAHONY.—Who are these men? That is the question.

Mr. DEPUTY SPEAKER.—Order! Allow the honorable member for Parkes to proceed.

Mr. MARR.—There is employed at the dockyards another class of men who came to the assistance of the Government at the time of the 1917 strike. These were the loyalists of the dockyard.

Mr. MATHEWS.—“Scabs!”

Mr. MAHONY.—What has happened to them?

Mr. MARR.—They have been put off.

Mr. MAHONY.—They have not; they have been kept on, while “dinkum” soldiers have been put off.

Sir JOSEPH COOK.—That is not so.

Mr. MAHONY.—It is so; it is preference to “scabs,” not to soldiers.

Mr. DEPUTY SPEAKER.—The honorable member for Dalley is not in order.

Mr. MAHONY.—I know I am not in order; but what I say is true.

Mr. MARR.—I am always prepared to give preference to returned soldiers, and I hope those to whom I now refer will be given consideration. The honorable member for Dalley (Mr. Mahony), by means of a question, has raised the matter of re-employing some of the dismissed men in assembling material at the dockyard, of which I understand some

5,000 tons are now lying there. If it is possible for the Treasurer to act on the suggestion, it would be a desirable thing to do.

Sir JOSEPH COOK.—It is not for me to consider that; I have nothing to do with it.

Mr. MARR.—Then I hope the Minister who is responsible will take the matter into consideration. I personally make no allegations against the management of the dockyard, but merely draw the attention of honorable members to the rumours which are floating about, particularly in Sydney, and which continually come under the notice of representative men. The truth or untruth of these rumours should be established, and the responsibility placed upon the proper shoulders.

Mr. WEST (East Sydney) [5.15].—The remarks of the Treasurer (Sir Joseph Cook) are sufficient to indicate to every honorable member that somebody is to blame for the discharge of such numbers of men from their employment at Cockatoo Dock. Those who know the circumstances of the commercial and industrial life of Australia, are aware that an attempt was made some time ago to bring about a strike of the seamen; but, although the press used its columns very extensively for that purpose, the strike failed to take place. One would almost imagine that the Government had been hand-in-glove with that project, inasmuch as, at the very time that the seamen's strike was to have been brought about, so many men were discharged from the Government workshops at Cockatoo Island, and the labour market was flooded in consequence. Watching closely, as I do, all these movements, I feel that there is no other conclusion that I can come to. At any rate, it is certainly within the realm of reason. Alderman Lambert, the Lord Mayor of Sydney, and his fellow aldermen, knowing that certain complicated machinery was required in connexion with the electrical plant of the Sydney City Council, heard that it could be made at Cockatoo Dock. They knew that there was a shortage of work there, and so alive were they to the possibilities of giving employment to Australian workmen at the dock, that they visited the place to find out for themselves whether

that machinery could be made there. It is to their credit that they made a searching inquiry, and were able to tell their fellow members of the City Council that the dock was in a position to perform this particular work, instead of its being sent to America. Tenders had been called for it in various parts of the world, and I believe the lowest came from America; but, fortunately, a good many of the aldermen of the Sydney City Council are good Australians first, and they decided to keep the work, if possible, in Australia for Australian workmen. They tried to ascertain from the dock authorities the possible cost of the work; but they did not ask for any concession or privileges. They simply asked whether the dock could do this work, which was urgently required to enable the citizens of Sydney and suburbs to obtain electricity for light and power purposes, seeing that the demand in that progressive city had grown so greatly as to far exceed the existing facilities. The City Council thought it was within the bounds of possibility that the Government would permit the necessary machinery to be made at the dock; but, to the surprise of every one, it was intimated indirectly that a gentleman of the name of, I think, Hall, had decided that no persons employed by the Government in these national workshops were to be allowed to do anything to encourage the Sydney Council to have the work done there. I cannot understand why such an intimation should be given to an official connected with the dock; but I am assured that he was told that he was in no way to encourage those who wanted to carry out a policy which would have been so beneficial in every way to the people of Australia. I should like to know why Australia's national workshops cannot be given the opportunity to supply the requirements of the Australian people or of Australian public bodies. I am credibly informed that the machinery which the City Council required, and which the dock was able to manufacture, was something in connexion with turbines. It is known that turbines cannot be made in all the engineering shops of Australia; in fact, I do not think one has been turned out in Australia yet.

Mr. RILEY.—Yes; at Cockatoo Dock.

Mr. WEST.—I was about to mention that fact. No turbines have been turned out in Australia except at Cockatoo Dock,

where the Government actually spent money on special machinery to enable them to be made. That machinery is very complicated, as some of the parts of the turbines are very small, and very nice machinery is required to turn them out. I believe the necessary machinery was installed at Cockatoo to enable a new turbine to be made for the steamer *Loongana*, which runs between Australia and Tasmania. So much influence was brought to bear that Australia's national workshops could be used for that purpose, but when the Labour Mayor and Labour aldermen of the city of Sydney—and here comes in the crux of the question—wanted similar work to be done at the Cockatoo Dock for the city of Sydney, they were told that they could not avail themselves of the national workshops for the benefit of the people.

Sir JOSEPH COOK.—It is a different kind of machinery altogether.

Mr. LAIRD SMITH.—It is an electro-turbine.

Mr. WEST.—Our great statesmen now tell me that the electro-turbine is a totally different machine. Will they inform me what is the difference between a turbine that drives a water propeller and one that drives a wheel so that electricity can be created? These are the smart people that have the direction of our affairs, but they cannot contradict my assertion that the man who can make an electro-turbine can make a water turbine.

Mr. MARR.—No.

Mr. WEST.—Last session, when I wanted the wig and gown abolished, and the silly mace removed from the table, I hoped I would get a sane Parliament, but when such stuff as that is thrown at me, I am forced to the conclusion that this is not a sane Parliament. My only desire is to get public work done at the National workshops in order to keep the people employed at a critical period in the history of Australia, when every citizen should do his level best to keep the wheels of industry moving.

Mr. MAHONY.—They were doing the same class of work for the Brisbane City Council at the dock only recently.

Mr. LAIRD SMITH.—Where has the same class of work been done for the New South Wales Railway Department?

Mr. WEST.—If the Minister for the Navy wants to put conundrums to me, I

will answer them after I have finished my speech, and if he desires any education, I am quite prepared to give it to him when the House is not sitting. I do not know whether the Minister is aware that such an instruction as I have indicated was sent to the dock officials. If he is aware of it, he is not fit to occupy the position of Minister of such a Department. He must know as well as I do that there is a great dearth of employment in Sydney, and he should know that the Sydney City Council was prepared to pay the Department whatever price was agreed upon for the performance of the work at the dock. The members of the Sydney City Council are good Australians, and want to provide employment in Australia for our own workmen. Any Minister who blocks work of that sort should be put to some other job, because he is not fit for the position he holds. The Treasurer has told the House that there has been a great bungle over the discharge of the men from Cockatoo. He said that he shares the responsibility so far as the money is concerned, but that he takes no share in the responsibility for discharging the men, or for the position that has been created. That position was created by those in charge of the Navy Department.

Mr. MAHONY.—The Naval Board are the people responsible.

Mr. WEST.—Somebody is certainly answerable. Ever since I have been a member of the House, I have taken up the position that the Minister must be the head of his Department. We have been running to blazes so far as the constitutional carrying on of business is concerned. There may have been some justification during the war for some of the actions of the Government; but now that the war is over, all those of us who are democrats—and that applies particularly to those who sit on this side of the House—should endeavour to secure a return to true constitutional government, with Ministers held responsible for their actions. If they do things that are not in accordance with the Constitution, or which injure any section of the community, they should be kicked out of office, just as any private employer would discharge a man who did not perform his duties properly in his own establishment. That is the idea which the honorable member for Perth (Mr. Fowler) was partly driving at in the motion which he

intended to move to-day. I only wish he had moved it. I would have seconded it, in order to give the House an opportunity to know something about the financial position, and the conduct of affairs at Cockatoo Island.

Mr. DEPUTY SPEAKER.—Order!

Mr. WEST.—This matter has a bearing on the finances, because the Treasurer has told the House that money was set apart for the Navy Department.

Mr. MAHONY.—The Treasurer attacked the Naval Board very severely.

Mr. WEST.—I do not know how the Naval Board ever got into its present position of authority. I do not object to a board of management for the Navy Department, but I do object to the Naval Board giving to officers of the Department directions on matters of policy, which should come only from the Minister. A Naval Board may be a good thing, but I strongly protest against its assumption of Ministerial control. I am constantly receiving letters "By direction of the Naval Board." To my mind, the direction should come only from the Minister. If it did, the Minister could be held answerable for it.

Mr. DEPUTY SPEAKER.—Order! The honorable member has reached his time-limit.

Mr. GROOM (Darling Downs—Minister for Works and Railways) [5.30].—I desire to make a brief statement in reference to one officer mentioned by the honorable member for Dalley (Mr. Mahony). Against that officer proceedings were instituted in the inferior Court in Sydney. The case was heard, and the officer was committed for trial. The matter was then entirely in the hands of the Crown Law officers, and they, after consideration of the facts in their possession, advised that a continuation of the proceedings was not justified. The evidence showed that the material found in the possession of this officer had been purchased by him, and the Crown Law officers advised that the further proceedings should be abandoned. Obviously we had to accept their advice.

Mr. BOWDEN.—Does not the Attorney-General look into these matters for himself?

Mr. GROOM.—The officers of the Attorney-General's Department advised that a prosecution could not be successful.

Mr. MAHONY.—All I have to say is that the officer who was charged is a very lucky individual.

Mr. GROOM.—His suspension was cancelled, but his services have since been dispensed with. He is no longer in the employment of the Commonwealth Government.

Mr. MAHONY.—Why did you dispense with his services?

Mr. GROOM.—Action was taken on the advice of the Director of Naval Works, who was revising his staff.

Mr. RILEY.—If there was no case against the officer it was an injustice to discharge him.

Mr. GROOM.—Independent of these charges there was a necessity for revising the staff. Recently we had to take back into the Department a returned soldier. Thus we had more officers than we required, and by a re-arrangement of the staff the services of the officer who had been mentioned were dispensed with.

Mr. RYAN.—What was the charge against him?

Mr. GROOM.—I have not the papers with me, but the charge involved his being in unlawful possession of certain property of the Commonwealth. The evidence showed that that property was acquired by him by purchase from a branch of the Commonwealth Service.

Mr. RYAN.—A Government servant buying material from the Government?

Mr. GROOM.—That is so.

Mr. MAHONY.—Buying in secret!

Mr. GROOM.—In regard to the charge preferred against him, there was not sufficient evidence to warrant a prosecution. I think it is only just to the officer to state these facts, which show that the proceedings were properly withdrawn on the advice of the Crown Law authorities.

Mr. MAHONY.—Will the Minister lay on the table the whole of the papers in connexion with the case?

Mr. GROOM.—That matter is in the Attorney-General's Department, but I will promise to look into it. This case is entirely a Works Department matter; it has nothing to do with the Navy Department. I assure honorable members that there has been no discrimination and no preference in connexion with this charge. It has been treated in a proper manner by the Crown Law officers, who had entire

charge of the case, and advised upon, their own responsibility.

MR. AUSTIN CHAPMAN (Eden-Monaro) [5.36].—The Minister for the Navy (Mr. Laird Smith) is adopting an extraordinary attitude. Serious and definite charges are made against his Department, and, although we are anxious to hear the other side of the story, the Minister declines to speak.

MR. LAIRD SMITH.—I will be glad to make my statement, but I do not wish to prevent other honorable members from speaking.

MR. AUSTIN CHAPMAN.—Will I lose my right of speech if I sit down in order to allow the Minister to make his statement now?

MR. DEPUTY SPEAKER (Hon. J. M. Chanter).—The honorable member will.

MR. AUSTIN CHAPMAN.—I do not wish to do that, although I am anxious to hear the other side of the story.

MR. LAIRD SMITH.—I will be only too glad to speak as soon as the opportunity arises. I do not wish to shut out any honorable member.

MR. AUSTIN CHAPMAN.—This matter has been brought before Parliament so frequently that the Minister ought to be in possession of sufficient information without waiting to hear what other honorable members have to say. I was surprised that the Minister, instead of speaking at once, put up the Treasurer (Sir Joseph Cook) and the Minister for Works and Railways (Mr. Groom) to speak for him. The Treasurer, in his light and airy fashion said, "Shut up the docks." That is all very well, but what about the thousands of employees who have families dependent upon them? Some of those people have been driven to the doors of starvation. Other people advise us to buy the ships abroad, because, they say, we can buy them cheaper than we can build them locally. What is to become of Australia if we adopt that policy? What is to become of the iron industry? Are we to send the raw material abroad and buy it back in manufactured form for ten or twelve times as much as we receive for it, as we do with our wool? I hope we shall set our face against any policy of that kind. Where are we to buy the ships—from China or Japan? From the figures in our possession we know that we can build ships in

Australia as cheaply as they can be built in any other country in the world at the present time. Why, then, should we deny our people the opportunity to work? Is it a fact that although 1,600 workmen were dismissed from Cockatoo Island, the services of nine assistant managers were retained, notwithstanding that it has been suggested by responsible men and the press that there were already too many managers there, many of whom were imported men, and did not know their job? I know it is difficult to prove some of the allegations which are being made, but will the Minister tell us something about the supposed sale of the *Sea Lark*, which, it was said, was disposed of for something like £2,500, although at the time there were on board Government stores in excess of that value? Let the Minister tell the House whether it is true that one night, in Sydney Harbor, a motor launch grounded, and that when assistance was taken to the boat many hundreds of pounds worth of Government stores, supposed to have been taken from the *Sea Lark*, were found on board? I believe that if a Parliamentary Committee went to Cockatoo Dock that statement could be proved. Many months ago I voiced some of the complaints which have been mentioned to-day, but I could get no redress of any kind. What about the company which is said to have been registered, and of which many of the men connected with Cockatoo Dock are supposed to be members? Last year I called attention to the fact that the Government were taking work away from the dock and giving it to a private company. My statement was denied, but the Minister cannot now dispute that after I made my statement that work was returned to Cockatoo Dock. The state of affairs there is scandalous. Of course, people do not make broadcast the charges of which one hears because of the difficulty of proving them. In the interests of the country, as well as of those who have charge of matters at Cockatoo Island, the Minister ought to clear up all these allegations. It is said that £250,000 worth of Government stores have disappeared from Cockatoo Island, and we must have a very peculiar system of control if the accuracy or otherwise of that statement cannot be proved. I know that at Jervis Bay hundreds of pounds

of material was missing which was subsequently discovered in the houses of different people. We ought to know how it got there. The same deal should be meted out to the men in high positions as to the humble individual who has to earn his bread by the sweat of his brow. There ought not to be one law for the rich and another for the poor. Let this House send a Committee of Inquiry to Cockatoo, and within twenty-four hours some of these allegations will be cleared up. I personally will undertake to prove something. A star chamber inquiry is being held at Cockatoo now, and evidence is being taken in secret; but is the evidence that is desired likely to be obtained when the men who can give it know that their bread and butter is at stake, and that they may be victimized? To my own knowledge, which is fairly extensive, some curious things have been happening at Cockatoo Dock, and the rumours which are abroad ought to be investigated. I am astounded that any honorable member should suggest the closing up of the docks. I am a good Protectionist and a good Australian, and any man who urges that the dock should be closed, and that we should purchase our ships abroad instead of giving employment in our own country, has no right to be in this Parliament, or even in the Commonwealth. If we adopt that policy, what shall we do with our iron works, and where are our primary producers to find a market, or our people to find employment? Is the same policy to be advocated in connexion with everything we produce in Australia—wheat, for instance? Because there is a slump in the price of materials on the other side of the world, are we to buy abroad and throw our own people out of employment? I hope this House will discountenance that doctrine. I feel keenly on this matter. I have no particular interest in Cockatoo Dock, and I will not defame anybody who is employed there; they should get fair play, both managers and men. The Minister, as the responsible head of his Department, is the man to whom we are looking for a satisfactory explanation. I congratulate the honorable member for Dalley (Mr. Mahony) upon having raised his voice in this House, and for standing up for these

men, many of whom are in dire distress. I object to this star chamber committee business. Is it a fact that three gentlemen are over in Sydney now taking evidence in secret?

Mr. LAIRD SMITH.—There is a departmental inquiry in progress.

Mr. AUSTIN CHAPMAN.—Will the Minister promise to lay the evidence on the table of the House?

Mr. LAIRD SMITH.—Would the honorable member promise anything like that without seeing the evidence?

Mr. AUSTIN CHAPMAN.—Is the Minister going to be the sole judge? If anything is wrong, honorable members of this House ought to know of it. We are the custodians of the public purse, and we should know if anything is going to be done, and if anybody is going to be shunted or prosecuted.

Dr. MALONEY.—There should be no smothering up.

Mr. AUSTIN CHAPMAN.—I agree with the honorable member.

Mr. LAIRD SMITH.—And I can assure the honorable member there will be no smothering up with me. But how can I promise to place on the table something I have not seen?

Mr. AUSTIN CHAPMAN.—Will the Minister tell us why this committee is sitting in secret?

Mr. LAIRD SMITH.—Because it is a departmental inquiry, and the honorable member knows that departmental inquiries are frequently instituted in matters of this kind. I was on half-a-dozen myself before I became a Minister.

Mr. AUSTIN CHAPMAN.—I say that every member of this House is entitled to know what is going on, even if it is a charge against the humblest workman in the establishment. It is charged against the Cockatoo Island workers that they are going slow. In my opinion, there has been some desperate work done there. On a former occasion, I made a statement in this House that some of the men were getting £20 and £30 a week. I do not know whether they were earning that sum, but they were paid it. Nothing was said about my statement then.

Mr. LAIRD SMITH.—Did I not show the honorable member a balance-sheet to prove that it was not so?

Mr. AUSTIN CHAPMAN.—The departmental sheet did show that, but

I am told that some contracts were let, and that some of the men were paid for day labour, so that we were paying double. I do not know whether these things are true or not, but it is time we got some information, and I can assure the Minister that if he went through the dock himself and questioned half-a-dozen men and gave them an assurance that there would be no victimization, he would get some startling evidence.

Mr. MAHONY.—Why did not the Minister allow us to have a representative of the men on the Board? We could have helped him if he had done that.

Mr. AUSTIN CHAPMAN.—I know the Minister is getting into a troublesome position, and I do not blame him, but I say that he will subject himself to blame if he does not take some definite action. It is a very serious thing that there should be any rumour about hundreds of thousands of pounds worth of material having disappeared.

Mr. LAIRD SMITH.—There are men in gaol in Sydney, big men, too, for that matter. I do not know whether they are friends of the honorable member or not.

Mr. AUSTIN CHAPMAN.—If they got rid of a lot of the Government material, then they ought to be in gaol.

Mr. LAIRD SMITH.—But the honorable member has been saying that I have not done anything.

Mr. AUSTIN CHAPMAN.—I am not saying that at all. I say that the Minister should have given us some information.

Mr. CONSIDINE.—How these Nationalists love one another!

Mr. AUSTIN CHAPMAN.—I am not "pitching" into the Minister at all. I am merely saying what I think. I drew attention to this matter last year, and was told then that I ought to mind my own business. It is remarkable that the Minister should now tackle me. Why does not he rise in his place to answer some of these charges?

Mr. LAIRD SMITH.—I will do so at once if the honorable member will sit down.

Mr. AUSTIN CHAPMAN.—I do not want to lose my opportunity of speaking my mind on this thing. I ask him now definitely to inquire and see if there is anything in this story about the purchase of the *Sealark*; if there is

anything in the story about the *Induna*, or anything in the story that a number of people are interested in this shipping company that has been registered, and is said to be doing work at the dock, and that we have been paying double—contract prices and day labour—for some of the work. I do not deride any man for getting big wages. It is a good thing if men can earn big money.

Mr. LAIRD SMITH (Denison—Minister for the Navy) [5.47].—I court the fullest inquiry in this House or anywhere else into my administration of the Navy Department, and I know some honorable members here are quite capable of judging because they watch me very closely indeed. I invite them to say what they think of my administration. I do not want to misrepresent the honorable member who said last year that the Naval ratings were seething with discontent, but I invite the fullest inquiry.

—Mr. AUSTIN CHAPMAN.—Who said that?

Mr. LAIRD SMITH.—I do not know. One honorable member did. All I can say is that if honorable members will inquire, they will find that such is not the case. Other acts of administration have been carried out by me to the best of my ability. And, after all, how long have I been responsible for one of the biggest Departments in the Commonwealth: eight years, ten years, twenty years? No. I have been in charge for just eight months. I thank the honorable member for Dalley (Mr. Mahony) for having brought this matter forward, because it gives me the opportunity I looked for in order to say something upon it. I realize my responsibility as a Minister. Unless I had some proof, I would not presume to lay any charge against the humblest man employed in the dockyard, and I am endeavouring, to the best of my ability, and with the help of the Naval Board—which courts the fullest inquiry—to obtain all the information possible in connexion with this matter. I do not profess to be an expert—no Minister can be on everything—and so I must rely upon the advice of the experts in my Department. They have given me most loyal service, which I fully appreciate. The committee that has been appointed is a departmental Committee of Inquiry for

the purpose of ascertaining the truth of certain allegations into affairs at the dockyard, and when the complete report is submitted to me, it will be made a subject-matter for Cabinet consideration. Certain statements were made some time ago, and, as a result of inquiries, we ascertained that a man in a big firm in Sydney was systematically defrauding the Department. He is in gaol now. Who put him there? The Government, who prosecuted him for his crime. That is something.

Mr. MAHONY.—Where did you get the information upon which you acted?

Mr. LAIRD SMITH.—In much the same manner as I am endeavouring to obtain information now—within the Department.

The honorable member for Eden-Monaro (Mr. Austin Chapman) said something about the *Sealark* that was news to me, and I can assure him that I shall institute an inquiry at once to see whether his statement is correct or not. The honorable member told us he wished to be fair, and so he did not make any definite charges. He referred to a rumour, and I shall be glad to authorize an inquiry to ascertain the facts.

I should like now to say a few words with reference to the statement made by the honorable member for East Sydney (Mr. West) about tenders for electro-turbines. I understand that these turbines have been designed for the generation of power for the city of Sydney, and I have been credibly informed that to-day a firm is completing tenders, to the value of about £200,000, for the construction of the same sort of machinery, although the honorable member says it cannot be made in Australia. I am speaking subject to correction, but I remember reading a statement that the work can be done in Sydney.

Mr. MAHONY.—Where?

Mr. LAIRD SMITH.—I do not know.

Mr. MAHONY.—Nor does anybody else.

Mr. LAIRD SMITH.—Not long ago I saw a Sydney company's prospectus, which stated that they were going to do this work. Cockatoo Island dock is a shipbuilding establishment constructed for that particular purpose, and the construction of electro-turbines, I understand, requires a certain number of highly skilled men but very few unskilled workmen. In

addition, certain patent rights are owned by a certain company, and I believe it would be very difficult indeed to get them for Cockatoo Island dock. I have also been informed that it would take nine months at least to equip the establishment for this special machinery. Fancy installing machinery for this special work with all the overhead charges, and then using it only once. Would that be sound business?

Now, with reference to the discharge of the men. I am glad that no honorable member holds me personally responsible, because no one regrets more than I do that the men had to go out. I am endeavouring to find out who was responsible for that. The committee of inquiry is assisting me to do so. I have not in my possession at the present time sufficient information to make a direct charge against the General Manager.

Mr. RYAN.—Does the Minister believe that the committee of inquiry will find out who was responsible?

Mr. LAIRD SMITH.—I hope that they will do so, because some one is responsible. Had the instructions of the Naval Board as issued from Melbourne been carried out this would never have happened.

Mr. MAHONY.—Can the Minister produce those instructions?

Mr. LAIRD SMITH.—From 6th July, 1920, until the 7th December, 1920, from 408 to 865 men were employed on naval construction, but as other work, such as the re-conditioning of transports and building of other ships, ceased, the General Manager, instead of discharging the men engaged on that class of work, put them on the construction of the *Adelaide*, with the result that we find that the number of men engaged on naval construction increased from 408 men on 6th July, 1920, to the numbers as follow:—

4th January, 1921	1,088
11th January, 1921	960
18th January, 1921	1,029
25th January, 1921	1,001
1st February, 1921	1,081
8th February, 1921	1,059
15th February, 1921	1,211
22nd February, 1921	1,239
1st March, 1921	1,272
8th March, 1921	1,330

This increase took place notwithstanding that the attention of the General Manager had been drawn to the fact that the rate of expenditure had risen to such an extent

that the amount allotted for new naval construction would be exceeded before the end of the financial year. This is disclosed by the following minute:—

At the monthly review of expenditure on Cockatoo Island it was found by the Naval Board in January, 1921, that the rate of expenditure had risen to an extent which would result in the amount allotted to new naval construction being exceeded before the end of the financial year.

The general manager's attention was at once called to this fact, but, notwithstanding this, the high rate of expenditure was not only maintained, but actually increased, and the funds becoming exhausted, it eventually became necessary for the Naval Board to take drastic action and order a cessation of work on the two vessels concerned—the *Adelaide* and the *Mombah*.

In the face of the instruction from the Naval Board, and with the knowledge that the money was not available, some one is responsible for permitting this to continue. I am endeavouring to find out who that some one is.

Mr. MAHONY.—Did not the Naval Board tell the General Manager how much money was allotted?

Mr. LAIRD SMITH.—The General Manager is advised through his accountant as to how much money is available each month. The Finance Member of the Naval Board informs me that that advice is given.

Mr. MAHONY.—Does the General Manager forward to you quarterly or monthly reports upon the progress of the work?

Mr. LAIRD SMITH.—At my request all Departments furnish me with quarterly reports of work in progress. In fact, immediately I took charge of the Department, I expressed the desire to be informed as to how things were going on, and as to the financial condition of all the branches. To this end I said that I would like to have statements furnished periodically. Those statements have to be furnished to me.

Mr. MAHONY.—So that you would be apprised of everything that was going on?

Mr. LAIRD SMITH.—Yes, provided that I had been so apprised; but I was not advised of this matter, nor was the Naval Board.

Mr. MAHONY.—But you have just admitted that you were apprised.

Mr. LAIRD SMITH.—Not at all. The honorable member is known as a reasonable man, and it is useless for him to attempt to twist my meaning. It would neither do him any good nor do me any harm, because I cannot be held personally responsible, seeing that I have done everything that any one would expect of a Minister in charge of a Department. For that reason I court the fullest inquiry. When a Minister gives an order, and it is transmitted to the proper quarter, where it is supposed to be carried out, can he be held responsible if it is not carried out, so long as he brings all concerned to task immediately he hears that it has not been carried out? That is the course I intend to follow, and as soon as I can ascertain who is responsible for the present state of affairs at Cockatoo Island, he will be made to suffer as he deserves to suffer. I do not think any member would expect me to undertake the task of watching every man working in every branch of a great public Department. How could I do so? A system has been laid down which I shall endeavour to work to the best of my ability. I have not been absent from my office one day, except when in other States on departmental business. I have worked holidays and Sundays. The control of coal supplies was added to my responsibilities, giving me a great deal more work to do than I anticipated, and people of all classes have thanked me personally for the manner in which the task was undertaken. Could it be of any avail or interest to me to condone any fault?

Mr. MAHONY.—In January last, when you found that the money was running short, did you not get into touch with the Treasury officials?

Mr. LAIRD SMITH.—I did not find it out in January; I wish I had done so. But as soon as I discovered that the money was running short, I made an endeavour to ascertain whether I could get hold of any somewhere else in my Department for this purpose.

Mr. MAHONY.—Did you not consult the Treasurer?

Mr. LAIRD SMITH.—I am not in a court of law. The Treasurer has told the House all the facts of the case. That is why I welcomed his speaking to-day

from the Treasury point of view. I have nothing to hide, and nothing to fear.

I am pleased that the honorable member for Parkes (Mr. Marr) has mentioned a most important subject, the employment of returned soldiers. My aim since I have been in the Department has been to employ a returned soldier every time I have had the opportunity to do so. One of the finest men it is possible to get in the service to-day is working in the Department in close association with me. He did splendid work at the Front, where he was wounded, and now he is doing good work here. The same principle is followed right throughout the Department.

Extension of time granted.

The honorable member for Grey (Mr. Poynton) will probably take over the control of shipbuilding, and have charge of Cockatoo Island in the near future, but I shall confer with him, and see what we can do for the men who have returned from war service maimed. Honorable members can rest assured that we will do our best for them. I shall also see if it is possible to do anything for these returned men at Garden Island, because I realize we are under an obligation to them.

Mr. MAHONY.—What about the men who have been injured in the course of their work at the island?

Mr. LAIRD SMITH.—Yes; that is also a question which needs looking into.

Mr. MAHONY.—What about sacking the "scabs" and putting the soldiers and these other men in their place?

Mr. LAIRD SMITH.—The honorable member may rest assured that I shall do, what I have always endeavoured to do since I have been in this House, and that is justice to every person with whom I am connected. Since I have been in charge of the Department, I have made it a practice to know no one in it individually, but just to look at matters as they are submitted to me, and then give my decision as to the man who is to be employed. I regret it if I have spoken at great length on this important question; but, as the honorable member for Eden-Monaro (Mr. Austin Chapman) has said, it requires sifting to the very bedrock, and this will be done so far as I am concerned.

Mr. RILEY (South Sydney) [6.10].—

I also desire to protest against the manner in which the men at Cockatoo Island were discharged; but, at the same time, I would like to point out that, at the moment of their dismissal, there appeared in the press an announcement that the cruiser *Adelaide* had cost nearly £1,000,000, and had been on the stocks for several years, the insinuation being that the responsibility for this rested upon the men. In fact, it was hinted that this was the reason for the stopping of work.

Mr. LAIRD SMITH.—The Department did not give that reason.

Mr. RILEY.—I am not saying so. The true facts are that the cruiser *Adelaide* was under construction during the war, and because it was seen that it could be of no assistance during the war, it was placed alongside a wharf at the docks, and work was concentrated on the fitting of troopships. Work was entirely suspended on the *Adelaide*.

Dr. EARLE PAGE.—But did she cost the money?

Mr. RILEY.—I shall explain the position. As the war proceeded, the Navy found out the weaknesses of different classes of ships, and many weaknesses were found in cruisers of the *Adelaide* type. As a consequence, many things which had been completed on the *Adelaide* had to be altered, and very often when the alterations were effected the Naval Board would come along and say, "That will not do; this has to be altered." As a consequence, they have kept on altering the *Adelaide* from time to time, and, of course, naturally the cost of construction has gone up.

Dr. MALONEY.—All the time the overhead charges went on.

Mr. RILEY.—That is so. I have given notice of a question as to how many alterations have been made on this cruiser; what they have cost; and the necessity for them; and when that information is secured, it will be seen that it is not the men working on the *Adelaide* who have been to blame, but that the continuous alterations were solely responsible for the additional cost. Time after time, when certain portions of the work had been completed, they were altered.

To-day it is almost a new ship, as distinct from the original design. Sometimes after an alteration has been made the original design has been reverted to. When we find a Naval Board so incompetent as to keep on wasting the people's money in this way, there is ample justification for this House to condemn their actions and see that in future they do not interfere with a vessel's design, but will allow it to be completed, and thus give the workmen a fair chance.

The Minister for Works and Railways (Mr. Groom) has made a statement that information was laid by constables against a high official on Cockatoo Island, upon which a prosecution in an inferior Court took place, and that, despite the fact that certain material from the island had been found in this official's back yard, which evidence, when placed before the lower Court, caused his committal for trial, there was no prosecution in a higher Court.

Mr. BOWDEN.—He produced the departmental receipt for the material.

Mr. RILEY.—That is all moonshine. The Department has no right to sell to an officer. It is all camouflage to say that he got a receipt. Why did he not produce it in the lower Court? If he had done so he would not have been committed for trial.

Mr. RICHARD FOSTER.—If he was able to produce a genuine receipt, why did he not proceed against the Government?

Mr. RILEY.—Quite so; and why did they not re-employ him? It is all very "fishy." The Minister will have to make a very different statement to this House to induce it to believe otherwise. Another man, who was discovered taking away a little bit of wood in his basket, was charged with stealing the wood, committed for trial, found guilty, and dismissed.

I do not wish to say anything to prejudice the employment of these men again, but if the Treasurer (Sir Joseph Cook) and the Minister for the Navy (Mr. Laird Smith) could get together with the Prime Minister (Mr. Hughes), I am sure they could be re-employed in another week or two. Owing to the high cost of living the workers at the island could only live from week to week, and now they are out of employment while steel plates are ready to

be assembled for the building of large ships at the island. Apart from any criticism, to-day I appeal to the Minister to look at the matter from a humanitarian point of view, and to see if these men cannot be started again. It is unfair to blame the men for the overhead charges, or for the expense incurred in connexion with alterations. There are too many highly-paid inspectors and officials; and surely the men cannot be held responsible for the outlay incurred in that direction. The officers and men are there to do their work, and if they do not perform it satisfactorily their services should not be retained. I trust the Treasurer (Sir Joseph Cook) and the Minister for the Navy (Mr. Laird Smith) will earnestly consider the advisableness of reinstating the men next week, so that the *Adelaide* may not be allowed to remain in her present unpainted condition, as she is an eyesore to thousands of people who cross the Harbor daily, and is a reflection upon the Commonwealth Parliament, the Government, and the workmen. I ask the Government to complete the work—I believe the vessel is now up to date—and thus prepare for the construction of the larger ships, as that will be the means of absorbing a large number of men who are at present unemployed. I trust the Treasurer will endeavour to find sufficient money to keep the men engaged until the Estimates for the next financial year are passed.

Mr. BOWDEN (Nepean) [6.17].—The information that has been given to the House by Ministers this afternoon shows that there has been sufficient ground for a searching inquiry into the administration at the Cockatoo Island Dockyard. In the first instance, there appears to have been no justification for 1,500 men being thrown on an already glutted labour market in Sydney without the slightest notice or warning, and it seems that this action has been taken in an endeavour to show a spiteful attitude towards the Treasurer because he said he would not find any more money. Whoever is responsible ought to be made to pay very dearly for his action. We have been informed that a departmental inquiry is being held to ascertain who is really responsible for the present state

of affairs; and that the Board of Inquiry includes a representative of the Naval Board, who, naturally, will not say that the Board which he represents is open to censure. The Department of the Treasury is also represented, and it is not likely that the officer from that Department will blame the Treasury. There is also a member representing the Ship Construction Branch, and he will not hold his Department or Minister responsible. In these circumstances, it seems very unlikely that the blame will be placed on the right shoulders. We are endeavouring to establish the shipbuilding industry in Australia, and, in doing so, are meeting with opposition from one of the greatest combines in the world. Lord Inchcape and his followers are only too ready to scathingly criticise the Commonwealth shipbuilding policy, and naturally the position which has recently been created will be given great publicity, not only in our own newspapers, but in others circulated in other parts of the world. Circumstances such as these will do more damage to Australia than many others that might be mentioned. The fact that £75,000 which ought to have been expended between March and June was disbursed before February by some one, apparently without the knowledge of the Treasurer—because the Treasurer said that his account showed a credit of £75,000—surely needs some explanation.

Sir JOSEPH COOK.—I still have it there.

Mr. BOWDEN.—The credit still remains, and apparently some one in another Department has spent it. There must be something wrong if vouchers covering the expenditure have not been submitted to the Department. There is in this fact striking evidence of mismanagement, as some one has apparently spent a large sum of money without the Minister's knowledge. I could not quite understand the statement of the Minister for the Navy (Mr. Laird Smith) when, in reading from a document, he said that in January the Manager was informed that, if he went on spending at the present rate, the vote would be exceeded before the due date. The Minister at the same time said

he did not know the vote had been exceeded until he was informed that the money had been spent. There has been mismanagement, and the result is that the persons who have paid the penalty have not been those who were responsible. The officers are still employed; but 1,500 men who, as we know, live practically from week to week, are out of work and have to bear the consequence of some one else's blunder. If ever there was an occasion for a searching inquiry it is in connexion with the administration of Cockatoo Island Dockyard. It has been stated that some men have been earning £20 per week, and, if that is so, all power to them; but they were on piece-work and would have to earn the money, otherwise it would not be paid to them. The statements of the two Ministers concerning the allegations which have been made are very unsatisfactory, and the whole question seems to be surrounded with an atmosphere of uncertainty, which makes it appear that an attempt is being made to smother up something. The least we can do is to have an investigation which will be satisfactory to this House, instead of a star-chamber inquiry by a few Government officials.

Motion (by Dr. EARLE PAGE) agreed to—

That the time for the discussion of the motion be extended by one half-hour.

Dr. EARLE PAGE (Cowper) [6.26].—As there are several others who desire to speak to this motion, I do not intend to delay the House for more than a few moments. The fact that there has been such an embroglio in connexion with this matter, and that 1,600 men have suddenly been thrown out of work, certainly needs some explanation. It is incredible to think that the money available for these works in the current financial year has been exhausted without the Department being aware of it. It is inexcusable in the light of the fact that two years ago the Economy Commission, in conducting its investigations, directed special attention to the conduct of the Cockatoo Island Dockyard. The report of that Commission states—

Evidence supplied by highly placed and reliable officers indicates that in many branches

no attempt whatever is made to check unnecessary expenditure and extravagance. There is no administrative control, and no one considers the question of cost.

The *Sydney Morning Herald*, commenting on the position, continues—

A statement in regard to the Stores Branch showed that stock-taking took place on 30th June, 1916, but the stock-sheets showing the result only left the dock in March, 1919. They showed deficits amounting to £52,886, and surpluses of £42,807, making a net deficit of £10,079 on a total stock of £117,071. It was advisable that the construction of the *Adelaide* should be reviewed, as, with the gift ships received from Great Britain, the Commonwealth would have more vessels than she would require. That is exactly what has occurred. Our Fleet is too expensive to keep in commission, so at present a big portion of it has been placed on the reserve.

In the light of the Commission's report more than usual care and supervision should have been exercised concerning what was actually taking place. On this occasion there seems to have been less than usual. In view of the conditions existing at the Cockatoo Island dockyard, it is quite conceivable that something similar may transpire at any moment in any other public Department. It is particularly regrettable at a time like the present, when money is so difficult to obtain, and when productive undertakings are hampered owing to the absence of capital, that we should have proceeded with the construction of the *Adelaide*, which is, we understand, already obsolete. We should, two years ago, have devoted attention to more productive works and thus proceeded in some more gradual method of finding employment for these men.

Sir JOSEPH COOK.—Who said that the *Adelaide* was obsolete?

Dr. EARLE PAGE.—It has been frequently stated. The honorable member for South Sydney (Mr. Riley) said that the great cost was largely due to the fact that the Department was constantly replacing obsolete portions of the ship. It is very necessary at this juncture that we should get full value for every expenditure, and there are many directions in which the capital employed could have been more profitably spent. I merely rose to submit this phase of the question, because other speakers seem to have overlooked it.

Sitting suspended from 6.30 to 8 p.m.

Mr. RYAN (West Sydney) [8.0].—Honorable members will be generally dissatisfied with the nature of the replies vouchsafed by Ministers to the charges of the honorable member for Dalley (Mr. Mahony) and of other honorable members. In all my experience I do not think I have heard weaker explanations than those of the Treasurer (Sir Joseph Cook), the Minister for the Navy (Mr. Laird Smith), and the Minister for Works and Railways (Mr. Groom). I do not think one could find a more striking example, of Ministerial ineptitude than is revealed by the combined replies of those Ministers. I do not propose to reiterate the facts as given by the honorable member for Dalley and other honorable members, but I desire to make a few remarks in criticism of the attitude of the Treasurer and his colleagues. I wish at this moment to thank the honorable member for Cowper (Dr. Earle Page) for having moved for an extension of time to permit this important matter to be further discussed. Indeed, it is of such importance that it deserves an even longer period for debate than has been allotted. While thanking the honorable member, I desire to take the opportunity to offer my personal congratulations upon the honour which has been conferred on him by the members of the party to which he belongs.

At a time when there is a tremendous amount of unemployment in Sydney, 1,600 or more men are suddenly thrown idle through what is admitted to have been a bungle; and the public naturally places blame and responsibility on the shoulders of the Government. Employees at Cockatoo Island have been rendered idle practically without notice, and without any provision having been made to absorb them in other avenues of employment. One would have thought, at any rate, that if it were deemed necessary to dispense with the services of so many men, engaged as they were in work of such importance, requisite steps would have been taken by the Government to see that those who were discharged were absorbed in other work. However, the Government appear to have made no effort to fulfil that obvious duty. The Treasurer says that some one has

blundered, but that he is not that person. He states that Parliament voted a certain amount of money, and that that vote having been expended, it was impossible to continue work. I do not agree that the Treasurer is taking up a proper attitude. He says he is not entitled to spend more money than has been authorized by Parliament. Parliament, when it passes an appropriation, does so on the basis of a message from the Governor-General. That message is the outcome of advice tendered by His Excellency's Ministers; and I suppose that in the particular matter of the allocation of moneys such advice usually comes from the Treasurer himself. It is quite possible that the right honorable gentleman underestimated what was a proper amount of expenditure for the Department involved in the matter under debate. After all, it was only an estimate, and it was an estimate which this House had not the power to increase. Consequently, the responsibility—almost the sole responsibility—for the fact of the amount not being greater lies with the Treasurer himself. It may be that the amount recommended was too small. At all events, the sum was expended long before the financial year had ended. Assuming that a sufficient amount was asked for by and granted to the Treasurer, that Minister is responsible in that he has not kept proper supervision over the expenditure of the different Departments. It is quite new to me to learn that some particular officer can spend the whole of a vote long before the financial year has ended, and that the first thing a responsible Minister may know of the matter is that the money is all gone and a large number of men have had to be thrown out of employment. One would expect that either the Treasurer himself or the Prime Minister (Mr. Hughes) would have some system by which a report would be tendered, say, monthly, to the Minister direct, as to the progress of expenditure in relation to particular votes. The responsibility, to my mind, rests upon the Treasurer in the first place, either in that in the original estimate he did not calculate what was a proper amount to be allocated, and thus made his estimate too low, or that, having made his estimate on a proper footing, he did not insure adequate supervision by

way of obtaining progress reports upon the expenditure of the amount in question. There should be some system.

Sir JOSEPH COOK.—There is a system.

Mr. RYAN.—To whom do the reports come?

Sir JOSEPH COOK.—My responsibility is discharged when I issue warrants at stated periods for certain amounts; the warrant passes from me to the Minister in charge of the Department concerned. I cannot follow these votes through all the ramifications of the public Departments in Australia.

Mr. RYAN.—I am speaking with some experience of administration when I say that the expenditure of particular Departments should be reviewed, for example, monthly. There should be some Minister directly responsible to this House who knows the progress rate of expenditure in connexion with large votes in various Departments; and the situation should never arise in which it could be suddenly made known, in January or February of a financial year, that the whole of the year's vote had been expended, and a great industry dislocated, so that large numbers of men are thrown upon an already glutted labour market. It should not be possible for that kind of thing to happen without some responsible Minister knowing what is coming. If it can happen, however, there is something wrong; and it is for this Parliament to see that a system of administration is adopted which will enable the Treasurer, or the Prime Minister, or the responsible Minister—whoever he may be—to keep his hand upon the pulse of things and know, roughly at all events, the progress rate of expenditure on any and every particular vote. But because such a system has not been adopted and practised by the Government, this position has arisen, and honorable members have to listen to occupants of the front Treasury bench informing the House that they know nothing about the matter, but that some one has blundered. We have to listen to them saying, "We knew nothing at all until we read about it in the papers, and until we found great unemployment and suffering among the women and children in Sydney." And yet, all that is to be done is to institute an inquiry to ascertain who is responsible.

Weeks have passed, and no Minister can tell us to-day how this trouble came about. At the same time some secret investigation is going on. Who are the investigators? What is the tribunal which has been set up to decide on whose shoulders the responsibility rests? As far as Parliament is concerned it rests on the shoulders of one or other of the three or four Ministers. There appears to be divided responsibility in respect of control, and there are four Ministers involved, namely, the Treasurer, the Minister for the Navy, the Minister for Works and Railways, and the Minister for Home and Territories (Mr. Poynton).

Mr. POYNTON.—I have nothing at all to do with the construction of those ships.

Mr. RYAN.—I accept the Minister's denial; so that responsibility remains with the three other Ministers mentioned. They have appointed a committee to undertake an inquiry in secret; and who are the members of this Committee? Officers immediately responsible to themselves. There is an officer representing the Minister for the Navy, another representing the Treasurer, and another is representing the shipbuilding.

Mr. MAHONY.—Yes; the Department of the Minister for Home and Territories.

Mr. RYAN.—That is so. Is it likely that those officers can throw the responsibility on Ministers? It is not feasible. Does any honorable member doubt that the motive for the inquiry is to find a scapegoat? The Minister for the Navy (Mr. Laird Smith), when I interjected in the course of his remarks, concerning whether he was trying to make a scapegoat of the manager at Cockatoo Island, said, "I hope so."

Mr. LAIRD SMITH.—I did not.

Mr. RYAN.—I am prepared to rely on *Hansard*.

Mr. LAIRD SMITH.—I said the responsible person.

Mr. RYAN.—I referred to the manager.

Mr. LAIRD SMITH.—I did not hear the honorable member refer to the manager when he interjected.

Mr. RYAN.—The Minister expressed the hope that somebody at Cockatoo Island would be found responsible.

Mr. LAIRD SMITH.—I hope somebody will be found.

Mr. RYAN.—Yes; and they have seats in this House. There is no need to go to Cockatoo Island for them.

Sir JOSEPH COOK.—The honorable member has just made the ridiculous proposal that the Treasurer should administer every Department, and trace every vote through every Department.

Mr. RYAN.—I have not suggested that; but that there should be some system by which the Treasurer would be able to secure information at regular intervals concerning the rate of expenditure of large votes in different Departments. There should never again be such a sorry situation as that which has now developed, wherein the Treasurer says, "The vote for Cockatoo Island was spent before I knew anything about it." And now he is chasing about the country with a secret board of inquiry to find the culprit. There is something radically wrong.

Sir JOSEPH COOK.—Quite true. This morning there was a sum of £75,000 standing to the credit of that vote in my books.

Mr. RYAN.—Then that is a grave commentary on the general administration of the Government. There is something wrong, and the fault lies not with some unfortunate individual at Cockatoo Island, of whom it is endeavoured to make a scapegoat, but with the general financial administration of the Government.

Extension of time granted.

The Minister for the Navy (Mr. Laird Smith) said that in January the manager of Cockatoo Island was given certain advice which, if I summarize it correctly, was to the effect that if the present rate of expenditure were continued, he would exceed the estimate.

Mr. LAIRD SMITH.—Hear, hear!

Mr. RYAN.—It is quite a common thing for an estimate to be exceeded; indeed, an estimate is never the exact amount spent. If it was desired that the manager should so distribute his expenditure as to make it cover a certain period, he should have been told so in definite

language. Actually he was invited to exceed his estimate, because he was not told not to go on.

Sir JOSEPH COOK.—Not only should he have been told that, but he should have been told that he must not exceed the warrant authority of the Treasury.

Mr. LAIRD SMITH.—He was told that.

Mr. RYAN.—If he were told it then it was at a period when it was impossible to make the unexpended vote stretch out over the balance of the year.

Mr. LAIRD SMITH.—There is a standing order that no member of the Navy Department must exceed the warrant authority of the Treasury.

Mr. RYAN.—Then who is the officer who has done so?

Mr. LAIRD SMITH.—That is what I wish to find out.

Mr. RYAN.—Perhaps it is one of the workmen who have been dismissed. Is there not some one in Sydney who is higher in authority than the manager of the Cockatoo Island dockyard? It must be obvious that the explanations of Ministers are entirely unsatisfactory.

I have dealt sufficiently with the two points which, to my mind, are salient. If you go through the Estimates you will find that many of the Departments have exceeded their votes.

Mr. RILEY.—The War Service Homes Commission for one.

Mr. RYAN.—Yes, and many others. It is a common occurrence. All who have been Ministers know that votes are often exceeded. Frequently an amount double the estimate is spent. An estimate is not the absolute limit of expenditure. Consequently, responsibility for what has taken place in this case should not be thrust upon some subordinate who cannot come here to defend himself, and I hope that the House will see that that is not done. It would be disgraceful if, because a thing of this sort happened through the ineptitude of Ministers, or the mistake of some one in the Government, a subordinate public servant should be made to suffer, and perhaps lose his position.

Sir JOSEPH COOK.—I entirely agree with you.

Mr. RYAN.—I am glad to know that; but the interjection is not quite in accord with some that have been made during the debate. I hope, too, that the Government will see that steps are taken to compensate those persons among the 1,600 men who have been dismissed, to whom the undertaking was given, although sometimes indefinite in form and not reduced to writing, that they would have continuous employment. I hope that they will be compensated, or that they will be given continuous employment.

Mr. SPEAKER (Hon Sir Elliot Johnson).—The honorable member's time has expired.

Mr. RICHARD FOSTER (Wakefield). [8.21].—This debate is disappointing to a great many of us who, from 1914 onwards, have fought continuously, and at last successfully, for the appointment of an expert Committee to investigate the administration of all the Departments. At that time the Naval Department was in a state of chaos, and the Economy Commission made it one of its first duties to investigate the administration of that Department, and to frame recommendations concerning it. I should like to know from the Government whether those recommendations have been carried into effect.

I have now only sufficient time to draw attention to three points. We have the allegations of honorable members opposite, and some admissions from the Government, which suggest that there is still a want of proper system in that Department. The Treasurer (Sir Joseph Cook) has told us that the Department had a Treasury warrant authorizing the expenditure of £300,000, with the intimation that the money was to be spent throughout the whole financial year. Then all at once it was discovered that the whole sum had been spent in eight months. The Minister for the Navy (Mr. Laird Smith) says that he is endeavouring to discover who is to blame. Under a proper system of management that should be discovered in five minutes. A warrant authorizing expenditure goes from the Treasurer to the Minister, and from him to the Accountant of the Department, and there should be monthly reports and statements of balances in re-

gard to the several works in hand. If that system had been observed, this unfortunate mistake should not have been made. It should not be difficult to discover who is responsible for the blunder that has occurred. Then it is alleged that material of a value running into very big figures is missing. With a proper system, such as is observed in every well-ordered business concern, that would be impossible. If the stores were properly controlled and issued, and, when issued, followed to their ultimate use, it could be seen at a glance whether an issue had been applied to the particular purpose for which it was intended, and there would be a check against loss or misappropriation.

We were promised a proper costing system, and I should like the Minister to say whether such a system has been provided for. If it has not, I cannot understand the reason, nor can I understand how honorable members who have condemned this enterprise root and branch now say that we can build ships as economically as they can be built elsewhere. We have been promised by Ministers half-yearly reports upon Government industrial enterprises. I hope that the Minister for Shipbuilding (Mr. Poynton) will soon present his next half-yearly report, so that we may know just where we stand. It has been claimed that shipbuilding has been a success during the past few years. We cannot form a proper opinion from the experience of abnormal times. The Minister has submitted reports and comparative statements, but I should like to have up-to-date information, because the country is being committed to an expenditure of many millions, and we should know where the money is going and whether we are getting 20s. of value for every £1 spent. This is not a party question. All honorable members should insist on proper and adequate returns at regular and short intervals. The Government should know each month what the progress of a work is, what the expenditure has been, and whether estimates are being exceeded. Without this close application we shall need to review the whole question again. I understand the Government to say that the investigation into these matters will

Mr. Richard Foster.

be thorough, complete, and impartial. There is a departmental inquiry at present being conducted, but I take it that it is simply a preliminary inquiry to advise the Minister. I hoped that, without the intervention of this House, the Minister would have ordered a searching and independent inquiry. I await an assurance on the point, because I am watching public expenditure in this direction very keenly indeed. I know something about it, and I say that this House should scrutinize continuously all these industrial enterprises carried on by the Government. Let me say that I hope that the Government will keep politics out of them. If a Government enterprise can succeed as well as an outside independent enterprise, and it rarely does, it can only be when politics in every sense are rigidly excluded from its operation. As soon as politics get in we have want of discipline, chaos, and confusion, and it is rubbish to tell the world that, under such conditions, a Government can do the work as well as outside enterprise, where the best brains and the best experience that money can buy are applied to the management.

Question resolved in the negative.

PURCHASE OF AIRPLANES AND SEAPLANES.

Mr. MARKS asked the Minister representing the Minister for Defence, *upon notice*—

1. What are the names, war service, and qualifications, of the officials in England who are acting for the Commonwealth in the ordering and purchasing of airplanes and seaplanes?
2. Have such officials had any experience in the designing and construction of airplanes and seaplanes?
3. What is the description of, and how many airplanes and flying boats have already been purchased or are on order outside the Commonwealth for the Government, and in what year were they designed?

Sir GRANVILLE RYRIE.—The answers to the honorable member's questions are:—

1. Orders for aircraft material, &c., to be obtained outside the Commonwealth are placed through the High Commissioner's Office, London; but the services of the Contracts Branch of the British Air Ministry are utilized in connexion with the placing of orders, and the inspection of equipment. The only Commonwealth Air Representative in London is Major

W. A. Coates, M.C., who is at present attached to the Air Ministry as Australian Liaison Officer. At the conclusion of hostilities, this officer was employed as Officer-in-Charge, Australian Aircraft Repair Section, England. He had two and a half years' war service.

2. The inspection and passing of aircraft material are done by Air Ministry officials, who are experienced in construction and designing. This is not the responsibility of the Australian Liaison Officer.

3. There are at present no aeroplanes or flying boats on order outside the Commonwealth for the Commonwealth Government, nor have any been purchased since the cessation of hostilities. It is, however, the intention to arrange without delay for the purchase of 12 Fairey 3D seaplanes, the first of which is now being manufactured for the Royal Air Force; and 9 F5 flying boats, designed in 1918. Both these types are now standard in the Royal Air Force for the particular work for which they were designed.

EXPORT OF BEEF.

IMPERIAL RESTRICTIONS.

Mr. JOWETT asked the Minister for Trade and Customs, *upon notice*—

Whether he is in a position to inform the House of the nature of the negotiations with the British Ministry of Health regarding the restriction upon the importation of brisket beef into the United Kingdom from Australia, and the result of those negotiations?

Mr. GREENE.—In consequence of the existence in some parts of Australia of worm nodules in cattle, the British Government ever since 1911 have debarred the entry into England of forequarters of beef from Australia unless the brisket has been removed. This means the removal, including the shin, of approximately 90 lbs. of beef from each carcass. With a view to overcoming this disadvantage, and in the interests of Australian exporters, the Commonwealth Government some little time ago nominated a representative to approach the British Ministry of Health on the subject. Negotiations took place, and a modification of the absolute prohibition of the importation of brisket beef was suggested, but the Imperial Government's requirements in regard thereto were so stringent that, after discussing the position with meat exporters in the Commonwealth, it was unanimously decided that it would be better to submit to the embargo, and allow existing arrangements to continue.

AERIAL MAIL SERVICE.

Mr. MARKS asked the Postmaster-General, *upon notice*—

1. What action has been taken on the proposal of the Larkin Sopwith Aircraft Supply Company Ltd. made in November last to inaugurate an aerial mail service in Australia?

2. What progress has been made in the mail carrying trials proposed last year to be carried out with Government aeroplanes?

Mr. WISE.—The following information has been furnished by the Department of Defence:—

1. The proposal of the Larkin Sopwith Aviation Company is one of many suggestions that have been received with reference to aerial mail contracts. After receipt of the Larkin Sopwith proposal a cable was sent to the Postmaster-General, United States of America, asking for full information as to the form of contracts his Government was granting to civilian companies, in order that the Commonwealth might be guided by experience gained in America over the period of eighteen months that mail services had been operating there. This information has only been received by the last mail, and there has not yet been time to consult with the Air Council in reference to the valuable information now to hand. It is hoped to be able to make a definite statement of policy in regard to mail contracts very shortly.

2. Proposals covering experimental aerial mail services over alternative routes have been submitted to the Air Council for consideration, and estimates of cost involved are now in course of preparation.

CONSTRUCTION OF H.M.A.S. BRISBANE AND ADELAIDE.

Mr. BAYLEY asked the Minister for the Navy, *upon notice*—

Whether he will supply the following information:—

1. H.M.A.S. *Brisbane*.—Date laid down, date completed, total cost?

2. H.M.A.S. *Adelaide*.—Date laid down, estimated date of completion, cost to date, estimated amount required to complete?

3. Will the Minister also give the reasons for the difference in the cost of H.M.A.S. *Brisbane* as compared with the estimated cost of H.M.A.S. *Adelaide*?

Mr. LAIRD SMITH.—The answers to the honorable member's questions are—

1. H.M.A.S. *Brisbane*.—Date laid down, 25th January, 1913; date completed, 12th December, 1916; total cost, £746,623.

2. H.M.A.S. *Adelaide*.—Date laid down, 20th November, 1917; estimated date of completion, six months from the date of recommencing work; cost to 15th March, 1921, £1,051,736; estimated amount required to complete vessel, £99,500.

3. The reasons for the difference in the cost of H.M.A.S. *Brisbane*, as compared with the estimated cost of H.M.A.S. *Adelaide*, are as follows:—

(a) The reduction in value of sovereign due to increase in wages, and in cost of raw materials, represents a sum of £325,522.

(b) Other factors which have entailed additional expenditure on H.M.A.S. *Adelaide* are as follows:—Increased length, and one extra 6-in. gun; addition of tripod foremast; increased accommodation for crew, as recommended by Welfare Com-

mittee. Propelling machinery of H.M.A.S. *Adelaide* is of different design, and was built in Australia; machinery for *Brisbane* was imported at pre-war cost. Delay in supply of raw material, due to the war.

(c) In general, all modern improvements suggested by the experience of the late war have been introduced, as far as possible, into design of H.M.A.S. *Adelaide*, with a resulting increase of cost.

Statement, showing actual cost of H.M.A.S. *Brisbane* and estimated and relative cost of H.M.A.S. *Adelaide*, is as follows:—

STATEMENT SHOWING ACTUAL COST OF H.M.A.S. "BRISBANE" AND ESTIMATED AND RELATIVE COST OF H.M.A.S. "ADELAIDE."

Vessel	Date Laid Down.	Date of Completion.	Expenditure to 15th March, 1921.				Amount required to be Allowed for Reduction in Value of Sovereign as compared with <i>Brisbane</i> costs.	Relative Cost based on equal Value of Sovereign.
			Labour, Material and Establishment Charges.	Supplementary Charges, London.	Estimated Amount required to complete.	Total.		
<i>Brisbane</i> ..	25.1.1913	12.12.1916	£ 576,504	£ 170,119	£ 99,800	£ 746,623	£ 325,522	£ 746,623
<i>Adelaide</i> ..	20.11.1917	Six months from date of re-commencing work	1,051,736	1,152,236	..	825,714

TARIFF.

In Committee of Ways and Means:

Consideration resumed from 1st July, 1920 (*vide* page 2519), on motion by Mr. GREENE—

That duties of Customs and duties of Excise (*vide* page 736), first item, be imposed.

Mr. PROWSE (Swan) [8.36].—The Tariff that will occupy the mind of this Parliament for some considerable time is unquestionably one of very serious importance. The whole incidence of the Tariff is, in my opinion, totally unnecessary, except as an ordinary expedient to replenish the exchequer of an impecunious Government. It is one of those artificial stimulants that get a people "no forrader." I read in one of the newspapers recently a most interesting statement to the effect that the Department of Trade and Customs was seriously perturbed because of the slackening off of shipments from the Old Country, and the fact that the revenue was therefore falling below anticipations. Whether that newspaper report was wrong or not, I cannot say.

Sir ROBERT BEST.—The position is quite the contrary. The revenue has increased.

Mr. PROWSE.—The revenue has increased very much, I admit; but this statement appeared in the press, and I have not seen a contradiction of it. It was stated that because of a shortening of certain freights—because ships were not coming out fully freighted—the Department of Trade and Customs was much perturbed. I think that is true, and the perturbation of the Department seems quite natural when it is recognised that this increased Tariff is designed to bring in more revenue. It would be a misnomer to call it Protection. It is the simplest and shortest cut to the supply of money to the exchequer. No one can soundly reason that the imposition of additional protective duties was necessary. This Tariff certainly has had the effect of increasing the cost of living to the whole of the people of Australia, and it is unnecessary now that the war is over, since the war itself has given the industries of Australia an immensely increased measure of protection. Other countries which before the war had extremely cheap labour no longer have cheap labour. Wages in other countries have increased to such an extent as to afford us a very great deal of protection. Increased freights to this country

also constitute a big measure of protection, and the great increase in the price of coal in other lands is an immense protection to Australian manufacturers. Surely it will be admitted that in these several respects considerable and ample protection is given to our manufacturers.

The putting of a Tariff of this kind on the key industries of Australia is having the effect of strangling more important ones. Euclid has taught us, among many useful principles, that the whole is greater than its part. The Minister for Trade and Customs (Mr. Greene) since the imposition of this Tariff has had to recognise that fact in detail, and I submit that it applies all round. The honorable gentleman doubtless on appeal will be prepared to remove the duties on certain tools which are not made in Australia, and which are necessary to the manufacture of a greater instrument or piece of machinery such as an engine, which is more important than is the local manufacture of the tools necessary for its construction. In the interests of the greater he will be prepared to sacrifice to some extent the lesser. If the establishment of an industry here is being prevented by reason of the heavy duty imposed upon the machinery necessary to that industry he should be ready to remit that duty. The Minister has really conceded my point as shown by his practice and actions in respect of such matters. It will be admitted that the greatest of all Australian industries—an industry which accounts for 76 per cent. of the wealth of Australia—must be regarded from the aspect of the whole. Anything that would materially retard the progress of that whole is prejudicial to the interests of Australia. This leads me to the point that the Tariff which before the imposition of these duties was excessive is to-day absolutely burdensome to the primary producer.

It cannot be gainsaid that the primary production of Australia is the greatest asset which the country possesses. It is the only source from which new money may be obtained, to give stability to our national credit, and we cannot afford, therefore, to disregard its importance. We cannot shut our eyes to anything which is calculated to hinder the increase of our national wealth simply because our national responsibilities are increasing. But

the effect of this new Tariff will be to inflict a further blow to the primary producer and generally to retard the progress of primary production in Australia. Of course, I know the cry which is always raised in regard to dumping. But, dumping or no dumping, the fact remains that a binder which was quoted at £80 last year is quoted at £120 this year. It is very difficult to persuade the primary producer that he ought to pay the £40 increase which is there represented, especially as £80 was easily double the price which he was called upon to pay for the same implement fifteen years ago. Nevertheless, by reason of the operation of the proposed new Tariff, the price of a binder has been increased by £40.

Mr. PAGE.—That £40 does not represent the duty which is payable upon binders.

Mr. PROWSE.—But it is so represented by the seller.

Mr. JAMES PAGE.—Mother Hubbard!

Mr. PROWSE.—No doubt the statement will seem amusing to some honorable members——

Mr. JAMES PAGE.—The honorable member is not now talking to farmers, but to men who understand the matter.

Mr. PROWSE.—Whatever the cause may be, the fact remains that to-day the farmer is compelled to pay for his binder £40 more than he paid previously, and that there is no way in which he can pass on this extra charge. We expect our primary producers to purchase costly made Australian machinery, and in this connexion I was very pleased to hear the statement made by the honorable member for Eden-Monaro (Mr. Austin Chapman) this afternoon. We are frequently told that no man is a good Australian who does not purchase Australian-made goods. But I cannot help remarking that quite a number of people who claim to be good Australians, object to paying a reasonable price for Australian-grown wheat. Seeing that our primary producers are obliged to labour for seventy or eighty hours per week, whilst the employees in our cities and those who are engaged in the manufacture of agricultural implements work only forty-four hours per week, the deal, I contend, is not a square one. I observe, too, that the press is seriously perturbed in regard to certain sales of Australian wheat which have been made overseas.

Whilst I was with the Deputy Comptroller-General of Customs in Western Australia the other day, a most remarkable incident occurred. A certain merchant, who was present, said to me: "Mr. Prowse, I should like to ask the Deputy Comptroller why there is an export duty upon flour." I replied, "If you do so you will ask a very foolish question, because there is no export duty upon flour." Thereupon he said, "I know a damned sight better." I answered, "Then you had better ask your question." He did so, and the Deputy Comptroller-General, after looking rather thoughtful, replied, "But there is no export duty upon flour. Would you mind explaining what you mean?" The merchant then said, "Well, only the other day a ship's captain, who comes here, ordered 10 tons of flour. As soon as he arrived at the wharf he was told that the flour had been kept for him." "Oh, thank you," he said. "What is the price?" He was told that the price was £18 per ton for the wheat and £16 a ton premium, making a total of £34 per ton.

Mr. TUDOR.—He must have got into the Wheat Pool.

Mr. PROWSE.—The honorable member got into the Wheat Pool. The Deputy Comptroller of Customs was quite in the dark as to how such a thing could have occurred, but in a flash the explanation came to me. That explanation was that in February of the previous year the representatives of the various States, with the Prime Minister (Mr. Hughes), conferred with the Australian Wheat Board, and notwithstanding that the value of wheat at the time was 8s. 3d. per bushel, they entered into an arrangement under which wheat for Australian consumption was to be sold at 7s. 8d. per bushel. That was the concession which was made by one class to all other classes of the community. Immediately afterwards the price of wheat rose to nearly double that specified in the contract. For local consumption flour was thus sold upon the basis of 7s. 8d. per bushel for wheat, or £18 per ton, whilst the price outside Australia was £34. The farmers thus made a concession to Australian consumers of £16 per ton. Late last year that contract ended. The States representatives were called together to confer with the Prime Minister as to the

quantity of wheat needed for local consumption for the ensuing year. It was computed that the quantity needed would be something in the region of 30,000,000 bushels, and they asked the Wheat Board again at what price they could supply 30,000,000 or 33,000,000 bushels. Just a few days prior, the Board had sold something like 300,000 tons f.o.b. in Australia at 10s. 6d. per bushel; but, as this was a decent order, their quotation was below the market price—9s. a bushel. It was a concession at the time; nobody knew any more than was known in the previous year whether wheat would rise or fall. Can any honorable member who is a sport, or professes to be straight, say that the contract should not be carried out?

Mr. CHARLTON.—That same principle applies to other things, not only to wheat.

Mr. PROWSE.—I hope that the principle of the integrity of agreements will always apply. The fact is that some £13,000,000 has been conceded to the consumers of Australia by the producers. With regard to the second 9s. deal, there has been a certain fall, checked somewhat by the fall in freights; but, after all, if I understand rightly, it was intimated by the Prime Minister to-day that, if the balance of the wheat was sold at 7s. 6d. now, the average price of the whole of Australia's wheat, with the local consumption thrown in, would be in the region of 8s. 6d. Are the consumers to take the "ups" and not the "downs" in the deals? I have not been in the habit, after buying a suit of clothes, of returning it to the tailor when it becomes half worn; nor is it possible for me to buy a horse and return it to the seller if it gets a nail in its foot. In both contracts, taken together, the advantage must be in favour of the consumer. If the consumers of Australia desire to review the matter, and are willing to review last year's contract, and give us the market price for what they had from us under the last contract, I venture to think the Wheat Board, on behalf of the growers, would agree and give the difference on the present year's deal.

Mr. WEST.—With what paragraph in the Tariff are you dealing?

Mr. PROWSE.—I am pointing out how these matters affect Australia very seriously. We have fearful congestion

of population in consequence of the centralization policy in Australia. Nearly the whole of this sitting has been taken up in considering the case of men who are out of employment in another State. Less of employment is a serious thing, but we ought not to continue the spoon-feeding of one section of the community—we should not artificially build up, by means of the Tariff, factories in the centralized portions of Australia, which is naturally a primary producing country; for if we do we shall simply “kill the goose that lays the golden egg.” After all, Australia, for the greater part, is manufacturing for those people who are primary producers; and if we make it impossible for the primary producers to compete with other parts of the world by increasing the cost of their machinery they will have to cease producing, and where then, I ask, will the manufacturer find himself?

Sir ROBERT BEST.—And contributing to the cost of wheat silos!

Mr. PROWSE.—These interjections are not calculated or intended to help one in debate. The farmers owe the Commonwealth nothing, but the Commonwealth owes the farmers practically everything, as we will begin to discover as soon as the farmers are squeezed out.

If we are going to put loads on the backs and shackles on the feet of the primary producers, how are they to compete with other countries? Under such circumstances the primary producers must come to the cities, which offer more attractions than the producing centres. Amongst the attractions are the limited hours of work, and the organization of employees and capitalists, who both cry out for cheap butter, cheap meat, and cheap wheat. The man on the land has to work from sixty to eighty hours a week; and is then asked to supply his produce at a cheaper price than it can be obtained, even, under tender, from any part of the world. This is not a square deal—it is not fair—and the time is coming when the levelling up must take place. It is the “maggot in the cheese” business; but the day is coming. We have only to look at statistics to see that the effect of Australian legislation, so far, has been to make the cities so attractive that not only has the whole increase in the population during the last twenty years gone

into the cities, but people are actually drawn there from the country. It is evident that there is something wanting in the attractiveness of the country life. Can any honorable member, whether he be from the city or the country, say for one moment that it is not in the interests of Australia that the whole of the country's natural resources should be developed in order to create the wealth necessary to meet our national obligations?

Mr. FENTON.—Why do not the farmers co-operate and manufacture their own machinery?

Mr. PROWSE.—They would then be confronted with the industrial organizations' demand for a forty-four hour week, although they themselves are expected to work eighty hours, and give the artisans cheaper food than can be obtained from Argentine or India. Countries like Canada and America are making the country more attractive by removing Tariff imposts from agricultural industries, because it has been seen that unless something of the kind is done, the people find their way into New York and other large cities. The future of Australia depends on the development of her soil; and, to again quote Sir Rider Haggard, prosperity will follow the feet that tread the fields, rather than those that trip along the pavements. If other countries have been able to, encourage immigration by the attractiveness of their land policy, Australia should be able to do the same. The other day one honorable member told me that he knew of a million acres of excellent land available in his own State. I know of another million odd acres in another State, all good land; but it seems to me that with the power centralized in the various capitals of Australia, we are going round in a vicious circle, and no encouragement is given to people to occupy these spaces. The people in the cities seem to think they are the only pebbles on the beach, that they can pay the national debt if only they can cut down the other fellow a little bit, and so long as the rural producer can afford, by working eighty hours a week, to buy from them. You cannot get over the Tariff wall which this Government is seeking now to build up, and look elsewhere for your trade, because you will

then find yourself in competition with the producers of other parts of the world. In hitting the primary producer, you are killing your only customer. You should facilitate his operations and allow him to get ahead of you a bit if you expect to continue trade with him on legitimate lines. You should give him a fair deal because he is a brother of yours, and you should not expect to feed upon him.

Mr. RYAN.—We do not expect to do that.

Mr. PROWSE.—But that is what Australia is doing. The leading papers of this city to-day are battling to get the wheat from the small, as well as the big, farmer in order to provide cheap bread for people. I think the Prime Minister (Mr. Hughes) was quite right in his statement the other day in connexion with the proposed reduction of the 9s. guarantee for wheat. "The States," he said, "can do that if they like, because the wheat is theirs." It is all very fine to say that with the other fellow's property. You cut it down last year and saved £11,000,000 on the transaction. It is yours now, this 30,000,000 bushels, and if you like to provide cheaper bread cut down the price. All I can say is that it is not going to be done at the sole expense of the producers. It was done last year; but now, if the producers are to get a fair deal, it must be done at the national expense.

Mr. CONSIDINE.—Is that how you tried to get square, by cutting down your salary?

Mr. PROWSE.—When a thing is my own, I deal with it as I wish. I do not like to cut down the other man's property. I intend to defend my own, and in my judgment this is the right place to do it now. I like people to honour contracts or agreements in any and every case.

Mr. RYAN.—Did I understand the honorable member to say that it is a fair thing to reduce the price of wheat so long as the State bears the expense?

Mr. PROWSE.—No, I never said anything of the kind.

Mr. RYAN.—That is what I understood the honorable member to say.

Mr. PROWSE.—If the honorable member for West Sydney would like my view to be stated more clearly, I would point

to the statesman-like attitude of the British Government in similar circumstances. They recognised that the agriculturist was entitled to get the market price for his wheat. Accordingly, they paid him market prices, and the wheat then belonged to the British Government. They said—"It is ours now, but the price for bread is rather high." They accordingly reduced the price to make the position easier for the consumer, and I believe placed £50,000,000 on the Estimates to cover the loss. That policy was not given effect to at the expense of the agriculturist, because he sold his commodity at the proper market price, and then bore his share of the loss equally with other citizens of the Mother Country. In Australia last year, the entire burden was borne by the producer, for instead of getting the market price for his wheat, it was cut down to the extent of £11,000,000. It is unfair to ask any returned soldier who has been put upon the land to grow wheat to make a contribution to the Commonwealth in the form of cheaper wheat for home consumption. The thing is absurd. There is nothing statesman-like about it; but, nevertheless, that is what has been done in the past, and that is what the leading press are seeking to do again.

Mr. BOWDEN.—All through the war the wheat producer leaned upon the Government for credit.

Mr. PROWSE.—I am sorry it is necessary to reply to that absurd interjection. During the war, owing to the lack of attractiveness in wheat-growing, the Australian producers reduced the area under cultivation by 4,000,000 acres, and in order to save the country—not to save the wheat-growers—they were given a guarantee by the various Governments of the Commonwealth. They never asked for one farthing either from State or Commonwealth Government. All that was done for them was returned with interest, and, therefore, it is absurd for any honorable member now to twit us with what was done for the farmer during the war period.

It is claimed now that the farmer must provide cheap food for a White Australia, and buy White Australian machinery manufactured under a high Tariff, with no Tariff upon wheat, and we do not ask for it. Give the producers as much as you pay to any one else. Call tenders for the wheat if you like, and let

the Australian producer be a tenderer. Do not buy his wheat unless it is cheaper than the price at which it can be got elsewhere. That is all we are asking for, and that will be a fair deal. You will have to get over this little fence before you can induce me to vote for 35 or 40 per cent. Tariff on my machinery. You talk about defence. What greater defence can we possibly have than a robust rural population? Nature makes it so. As a matter of fact, no country is strong without a great rural population. Look at the abnormal condition of Australia. It has no counterpart in the world, civilized or uncivilized. Twelve per cent. of the population of England live in London, which is not only the capital of the United Kingdom, but practically the capital of the world; 4 per cent. of the population of France live in Paris; 2 per cent. of the population of Germany in Berlin; and 1.75 per cent. of the population of Russia in Petrograd; while 50 per cent. of the population of the State of Victoria live in Melbourne. If we were only a manufacturing country there might be some justification for this centralization, but we are a producing country. By forcing people to carry food from where it is produced for consumption in the cities, we are adding to the costliness of living. There is a tendency to create artificiality, which not only increases the cost of living, but also weakens the nation. Through our centralizing policy we cannot establish factories in healthy surroundings in country districts where facilities offer, and where the food can be produced to feed the workers in those establishments without heavy handling costs. Under existing circumstances, nothing can be done in Australia unless the food is carted to Melbourne, Sydney, Adelaide, or Perth, at great expense, thus adding to the costliness of living; while burdens are heaped upon the man who has to grow it in competition with cheap labour elsewhere.

Mr. RILEY (South Sydney) [9.18].—I am delighted to know that the Country party have put up their champion to argue for cheap labour. The honorable member for Swan (Mr. Prowse) condemns centralization, but yet, when the farmers want a president for an agricultural society they choose a man in the city. The New South Wales Agricultural

Society does not distribute its honours among men in the country districts. They would not be big enough. No; they go to the city and choose Sam Hordern, the biggest manufacturer, the biggest importer, and the biggest business man in the State. Do they hold their annual shows in the country districts? No. It shows the inconsistency of men who talk about decentralization when we find that they hold their annual shows in Sydney and Melbourne.

Mr. McWILLIAMS.—In order to educate the people of the cities.

Mr. RILEY.—It is in order to get the boodle. If they were honestly against centralization, they would hold their shows in different parts of the country. Their talk about decentralization is so much beating the air. One would think the honorable member for Swan was electioneering in the backblocks of Western Australia. The people of Australia are paying more to-day for wheat than are the people of any other part of the world.

Mr. STEWART.—That is not so.

Mr. RILEY.—Wheat can be bought in America at 6s. per bushel. I know why the Farmers' party are supporting the Government. It is because they are getting 9s. per bushel for wheat for local consumption; because they want, and are getting, concessions. The people of Australia are paying more for everything bought to-day than they have a right to pay.

Mr. PROWSE.—How do you know that?

Mr. RILEY.—Because I have to buy.

Sir ROBERT BEST.—Give the Germans a show!

Mr. RILEY.—I did not hear the honorable member for Swan denouncing the Government for selling wheat cheaply to Germany, but if they sold it cheaply to the Australian people, to the people who provide the money for building the railroads which enable the farmers to go to the country and send their produce to market, it would be a different story. We have not heard a word to-night from the Farmers' party against the Government selling the wheat cheaply to Germany.

Sir JOSEPH COOK.—I have just read that there are millions of people in want in Germany. We must give them wheat.

Mr. RILEY.—I do not object to feeding the Germans; but I do not want them to get any advantage over Australian people.

Mr. PROWSE.—The Australian people got a big advantage last year.

Mr. RILEY.—And so did the farmers. Because of the war every commodity went up in price, and the farmers reaped the advantage as did other people, but the whole of the general public suffered.

Mr. GIBSON.—What about the New South Wales farmers last year? How much did the Government lend them to carry on?

Mr. RILEY.—The farmers of New South Wales are doing well, and are not crying as the Western Australia people are doing. One would imagine, after hearing the honorable member for Swan, that his constituents were all in the Bankruptcy Court. I am pleased to hear that the farmers are doing well.

Mr. HILL.—The honorable member is about the only person who thinks it.

Mr. RILEY.—Apparently, we are to have a very good Tariff. I stand for the building up of Australian industries as well as the establishment of a strong rural population. The honorable member for Swan claims that Australia is not a manufacturing country. Why is that so? It is because for too long we have been relying upon imports from other countries. The time has come for this Parliament to take steps to make it a manufacturing country. The honorable member talks about drawing men from the country districts to the cities. Surely the men who come from the country districts to the cities have intelligence enough to know which are the better places, and when they find that the cities provide them with facilities for amusement, why should they bury themselves in the country for the sake of populating Australia when we are producing more food than we can consume?

Mr. GIBSON.—When did you find that out?

Mr. RILEY.—If the honorable member would go to some mechanic's institute in his district he would find out these things for himself. I understand that the Government are trying to make arrangements for ships to take away our wheat, but cannot get sufficient to do so.

It is stated that Australian butter is a glut on the London market, and that there is six months' supply on hand. Yet the farmers say that they want to send more away. Had it not been for the Butter Pool established by the present Government the butter producers would have been receiving less than 1s. 6d. per lb. for their butter, but because of the workings of the Pool they got nearly double that price last year, and now they are finding fault with the Government for not continuing it. There is a duty of 2s. 6d. on wheat coming into this country. I am prepared to give the farmers that protection.

Mr. HILL.—We do not want it.

Mr. RILEY.—Of course not, because the farmers have too much to sell; but if they had competition, they would want it. Because they can supply more wheat, butter, bacon, and meat than this country can consume, they want to export it, and then they ask for Free Trade for machinery to help the producers of the country. To help them to do what? To produce more, and have a glut of produce which they cannot get away? They want free implements, but so far as I am concerned, they will not get them.

Sir JOSEPH COOK.—Besides, what about the revenue?

Mr. RILEY.—We must have some revenue. I suppose the Country party will object to the building of ships and the general shipping policy of the Government, although we must build ships to carry the wheat away.

Mr. McWILLIAMS.—You would object if they were built in the country.

Mr. RILEY.—They are built in the country now, or parts of them are. The honorable member will not deny that engines for those ships are being built in Castlemaine. Ships have been built at Williamstown and Walsh Island with a view to carrying Australian produce to the markets of the world. Had it not been for the shipping policy of the Government, which has helped to get our produce away, the farmers would have been in a very bad way indeed. One honorable member complained about the Government's shipping policy, and spoke about the virtues of private enterprise. Where was private enterprise during the war in Australia so far as shipping was concerned? If the Government had not taken the shipping over, the farmers

would have been the sufferers. The same honorable member demanded freedom to do this and that. I heard that yarn when it was desired to introduce cheap labour such as Chinese and Indians.

Mr. HILL.—The honorable member does not want cheap labour, but he wants cheap wheat.

Mr. RILEY.—Does the honorable member call wheat cheap at 9s. per bushel?

Mr. PROWSE.—When men have to work sixty hours a week to produce it.

Mr. RILEY.—The honorable member is an insurance agent, and does not work on a farm at all. That is the sort of stuff we hear from men who claim to represent the farmers, but who really only farm the farmers.

Mr. STEWART (Wimmera) [9.29].—If, as the honorable member for Franklin (Mr. McWilliams) interjects, the address to which we have just listened is a fair sample of a protectionist speech, then this so-called Free Trade party in the corner has not very much to fear. The debate so far has been conducted in a somewhat loose and frivolous manner. We are dealing to-night with principles of vital interest to the people of the Commonwealth, and, so far as this Tariff is concerned, of particularly vital interest to the primary producers. I have wondered what is the object of this good, solid lump of a Tariff. What is behind it all?

Sir JOSEPH COOK.—Some revenue.

Mr. STEWART.—If to obtain more revenue is one reason for its introduction, it is a very unsound form of taxation. A sound and fair form of taxation means the taxation of all for the benefit of all, but taxation through the Customs means the taxation of all for the benefit of a few. I still ask, "What is behind this Tariff?" In introducing it, the Minister (Mr. Greene) quoted the following passage from the Prime Minister's policy speech at Bendigo:—

The Government have carefully prepared a new Tariff. It believes it would prove satisfactory to the manufacturers of the Commonwealth, and intends to lay this Tariff on the table of the House and give effect to it at the earliest possible moment after the new Parliament assembles.

At the last election the political parties that were behind the members who now occupy the Treasury bench were assisted very liberally indeed in cash and kind by

many of the leading manufacturers of Australia. Is this good thumping Tariff, which is tabled now that they have come out on top, a reward for services rendered at the last election?

Mr. CONSIDINE.—If so, why are you supporting the Government?

Mr. STEWART.—If the Government were dependent on my support, they would not occupy the Treasury bench very long. I have made no secret of the fact that in season and out of season I am going to do my best to shift them from where they are. I do not go behind their back and stab them when I make that statement. The Minister reiterated throughout his speech, and gave quotations intended to prove, that the Tariff would have the effect of cheapening tools of trade, particularly those used in primary production. He quoted figures as to the price of machinery in the Argentine and New Zealand in order to support his contention. I hope that when he is replying he will answer the query which I now intend to put to him. To-day the manufacturers of farm implements in this country are advertising, spending money, and conducting propaganda which are costing a good deal of money, in support of this Tariff. They are pleased with it. But if its ultimate result is to be to cheapen the price of what they produce, surely the Minister does not mean to tell me that Mr. H. V. McKay and other farm machinery manufacturers are joining him in a campaign to reduce the price of farming machinery?

Mr. GREENE.—Does the honorable member think there would be any inconsistency in that?

Mr. STEWART.—Yes.

Mr. GREENE.—Well, I do not. That is where the honorable member is all wrong.

Mr. STEWART.—The old-time cry was, "Put on a little duty to enable us to start a factory so that we can get upon our feet," but the whole history of the Tariff has been one of steady increase, each Tariff higher and still higher than the last. As the business and the factories of these people outside grow, so does the Tariff grow, and always in the one direction. In the first place, they ask for a Tariff to enable them to become

established, and the more soundly established they become the more insatiable is their appetite for higher duties. Is not the stock argument of the Protectionist that it is unfair to expect white men to compete with cheap coloured labour?

Mr. MATHEWS.—And a very good argument, too.

Mr. STEWART.—Do not honorable members opposite, and other high priests of Protection, realize that that is what the primary producer is doing all the time?

Mr. MATHEWS.—We are giving him a white man's market, 9s. per bushel.

Mr. STEWART.—I have heard a good deal lately about the yellow man's market. Our primary producers are competing in the world's market to-day, and have been doing so for many years, against the black grown wheat of India, and the wheat grown with the cheap Spanish labour of the Argentine, and the ignorant peasant labour of Russia, and, in addition, are being charged the highest shipping freights in the world. They have to sell their wheat, not only over seas, but also within Protectionist Australia, at black labour rates, and some honorable members on the Opposition side would deny them even those prices.

Mr. FENTON.—We never did that. We believe in a fair deal all round.

Mr. McGRATH.—Is 9s. per bushel a black labour rate?

Mr. STEWART.—Upon what basis does the Australian manufacturer, that gentleman who is the particular care of a new-born alliance between organized capital and organized labour—

Mr. MATHEWS.—I will admit that the boss manufacturer is as good a robber as the farmer.

Mr. STEWART.—Upon what basis does the Australian manufacturer, in whom organized labour and organized capital are showing such a remarkable interest, and for whom they are acting as foster fathers, fix the price of what he has to sell? Does he fix it at the London price, less the cost of getting it to the market?

Mr. MATHEWS.—He gets all he can.

Mr. STEWART.—Yes, and this Tariff will enable him to get a little more than he could in the past. The poor struggling manufacturer, whom honorable members

are so desirous of protecting, although he is getting cheaper coal, cheaper steel, and cheaper labour than can be obtained by any of his competitors in the outside world, does not fix the price of his commodity at what he can get in the world's market. He does not believe in competing in the world's market; he desires the creation of an artificial market in Australia, and he sells, not at the cost of production plus a fair profit, but at the price at which his overseas competitors can land their goods. If we impose an extra duty of £20 or £30 upon a machine, up goes the price, and organized labour goes to the Wages Board or the Arbitration Court for a share of the spoils.

Mr. BLAKELEY.—As a party, are honorable members in the corner prepared to force the Government to protect the farmer?

Mr. STEWART.—I will make my speech in my own way, and will not be sidetracked by any honorable member. The Australian manufacturer fixes the price of his product at the import value. If the primary producer were to fix the price of what he has to sell upon the same basis, what would be the price of wheat in Australia to-day? The price of wheat is, roughly, from 9s. to 10s. per bushel in the markets of the world. We will calculate it at the low price of 9s. in London. Upon wheat imported into Australia there is a duty, which, so far as I am concerned, may be struck out, for it never operates except in time of drought, as in the years 1902 and 1914, and then it is suspended so that it cannot operate. That is what the Australian wheat-grower is getting from this grand policy of Protection. Take the price of wheat in London at 9s. per bushel, allow 2s. for freight, 2s. for duty, and 1s. for insurance, wharfage rates and like charges, and the import value of wheat to-day becomes 14s. per bushel. If I had my way, I would fix the price of what I had to sell upon the same basis as that upon which the Australian manufacturer fixes the price of the machinery which I use in growing my wheat. If that were done, the present price of wheat in Australia would be 14s. per bushel. But what the high priests of Protection desire is

that the farmer should purchase from the rest of the community everything he needs at Protectionist prices, and feed the community with primary products at black labour rates. I could take these champions of the working class, these staunch advocates of the eight-hours system, into many country districts and prove to them that there were men and women working eight hours—yes, but eight hours before noon and eight hours after noon.

Reference has been made by interjection to the price of 9s. per bushel for wheat. What is the price of a 4-lb. loaf in Australia to-day? It is sold at from 1s. 1d. to 1s. 3d. per loaf, and the average is, therefore, 1s. 2d. Honorable members opposite are blaming the farmers, who are the producers of wheat, for the excessive price of bread. Do they know how much wheat there is in a 4-lb. loaf, or what the farmer actually gets out of it? Can any of these so-called experts, who know so much concerning the production of wheat, give that information? There is no answer, because they know that to them it is a difficult question. I shall tell them—

Mr. BLAKELEY.—We know that the Germans are getting cheaper food than the Australians.

Mr. STEWART.—That interjection is incorrect, and the honorable member knows it. The amount that the farmer receives for the wheat in a 4-lb. loaf is a little over 6½d.; it is less than 7d.

Mr. MATHEWS.—That is not correct.

Mr. STEWART.—I am prepared to say that it is between 6½d. and 7d.

Mr. MATHEWS.—Can the honorable member prove it?

Mr. STEWART.—Can the honorable member for Melbourne Ports (Mr. Mathews) disprove it? If the Australian wheat-growers grew wheat and gave it to the millers free of cost, the consumers would still be charged 7d. for a 4-lb. loaf. Honorable members opposite cannot have high wages and short hours for the mill hands, neither can there be high profits for the millers if there is to be a cheap loaf. They cannot have a baker in North Melbourne delivering bread in South Melbourne, or a baker in South Melbourne delivering bread in North Melbourne, and expect cheap bread. They know it is impossible to have numerous

drivers, employed at high rates of wages for comparatively short hours, chasing each other around the suburban areas, and at the same time have cheap bread.

Mr. BLAKELEY.—We have been trying to remedy that, and the Government will not allow us.

Mr. PARKER MOLONEY.—And your party ran away from the honorable member for Perth (Mr. Fowler).

The CHAIRMAN (Hon. J. M. Chanter).—Order! I have asked that interjections be discontinued, and that the honorable member be allowed to proceed. The debate on the Tariff is different to the discussion on other matters, as there is no time limitation, and every honorable member will have an opportunity of speaking fully to the question, and will be able to express his views as often as he desires. In these circumstances I appeal to honorable members to allow the honorable member addressing the Chair to state his case without interruption, because interjections ultimately lead to disorder, which is very undesirable.

Mr. STEWART.—I thank you, Mr. Chairman, and hope that the time which has been occupied by your speech will not be recorded against me. The Minister for Trade and Customs (Mr. Greene), in introducing the Tariff, made a calculation concerning the extra population that we would have in Australia if all the iron and steel used in the Commonwealth were smelted locally, and said that if this were done our population would be increased by 300,000. In his search for arguments to bolster up this rotten policy he began to give a list—it is too long to read, but I will quote it if desired—of the main primary products we use, and endeavoured in some mysterious way to connect the consumption of our primary products locally with the prosperity of the farmers. In his opinion the quantity of wheat that these 300,000 people would consume would be 1,600,000 bushels. In his speech he advanced the well-known Protectionist argument that the local market was the best of all markets. If the Australian primary producers were able to fix the price of what they had to sell on the same basis that the Australian manufacturer fixes the price of what he has to sell, that is a price far above the world's market price, there would be something in his argument.

What does it matter to the average wheat-grower in Australia where his wheat is consumed if he is only to receive a certain price. What does it matter whether the wheat I grow is consumed in Melbourne or in London if I receive only 7s. or 8s. per bushel. That is a definite answer to the oft-repeated statement concerning the local market. If the primary producer is given the right to charge above the world's parity, I admit the local market is the better of the two. But the local markets are of no use to us if we are not going to receive a higher price for what we have to sell. During the war the position may have been different, but we are now living in normal times. I do not know what the average price of wheat will be this year; but if some honorable members in this Chamber had their way, God knows how low it would be! As a basis of calculation, we can take the average price for local consumption, which last year was 7s. 8d. per bushel, and the average price received throughout the whole year, averaging the overseas price from January to December, was approximately 12s. per bushel, or a difference of over 4s. a bushel. If we had had the additional 300,000 people to which the Minister for Trade and Customs referred, they would have consumed on his figures 1,600,000 bushels of wheat. In other words, we would have lost 4s. per bushel on this extra 1,600,000, making a total loss of more than £300,000.

Mr. BLAKELEY.—The honorable member does not mean to say that the greater the population the poorer the farmer will be?

Mr. STEWART.—Under the conditions existing in the Australian wheat market last year, yes.

Mr. FENTON.—But consumers eat other things beside wheat.

Mr. STEWART.—The claim made in the calculation of the Minister included all classes of primary products, and he specifically quoted wheat. I am disproving that part of his argument in my references to the wheat-grower.

Mr. McGRATH.—I suppose the honorable member will deal with the Mildura fruit-growers?

Mr. STEWART.—Yes; they are very staunch Protectionists, because, through organization, they are in the happy position of being able to do what the Aus-

tralian manufacturer does. Although during the war they voluntarily sold their dried fruits in Australia at a price far below the world's market price, in normal times the policy of Protection benefits them. I would like to see the same situation applied to all the primary producers. If I had my way I would organize them and take the same right—the same right as is demanded for the Australian manufacturer.

I have made reference to the "cut" that organized labour is going to get out of the Tariff. I can quite understand honorable members opposite going "bald-headed" for Protection. If I represented a city constituency I might be "all out" for a high Tariff also. I wish to refer to the position in which organized labour finds itself in connexion with the Tariff, particularly in respect of the wages paid to labourers employed in machinery-making in Victoria. The wage rates are fixed under the present Wages Board system. That system has treated the Victorian workers very well, for the reason that the tendency of all awards has been ever upwards. I do not say, of course, that that tendency should have been in any other direction. But I have never yet heard of a Wages Board being called together to consider a reduction of wages or increase of hours. I have that in mind when I state that the system has treated the Victorian worker very well. But while the worker is on a good wicket, the implement maker is on an even better wicket. Like the man who plays "two-up" with a double-headed penny, he cannot lose. If his employees go for an increase of 1s. 6d. per day, and he is able to resist the claim, the victory is obviously his. But if the workers get their 1s. 6d., does the manufacturer pay it? Not at all. He immediately calls in his old price-lists and issues fresh ones to his country agents, in which he promptly passes the burden of the increased wage-sheet to the poor old back-bone of the country. If we could put 3d. or 1d. or 2d. on to the price of our wheat to meet this extra charge we would be in the happy position of having joined the great family of those who are engaged in the modern economic pastime of passing it on; but we cannot do so. When the manufacturer increases the price of his product

in order to cover an addition to his costs, amounting to 1 per cent. or $1\frac{1}{2}$ per cent., he puts on $2\frac{1}{2}$ per cent., or 3 per cent., or 5 per cent. So the game goes on; organized labour cutting at organized capital on the principle that the profits made in an industry can stand higher wages, and organized capital always retreating and putting it on to some one else. In the policy of the party to which I belong there is specific reference to the Farmers' fiscal plank in regard to tools of trade—"Tools of trade used in primary production made within the British Empire." That plank is there simply because we are asked to compete in the world's market; and, since we are compelled to sell our products in the world's market, we ask for the privilege of purchasing our tools of trade also in the world's market. Now, I said that I would give some of these persistent interjectors my fiscal creed, and I shall do so. But as the hour is late, I should be glad to be allowed to continue my speech to-morrow.

Progress reported.

ADJOURNMENT.

FEDERAL CAPITAL—NOTICE OF MOTION OF CENSURE.

Motion (by Sir JOSEPH COOK) proposed—

That the House do now adjourn.

Mr. RILEY (South Sydney) [10.6] — Thursdays used to be given up to the discussion of private members' business, but have now been taken for the consideration of Government measures. Under these circumstances, I ask the Treasurer (Sir Joseph Cook), if he will allow the discussion to-morrow of the motion of which notice has been given by the honorable member for Maranoa (Mr. J. Page).

Mr. JAMES PAGE (Maranoa) [10.7]. — I ask the indulgence of the Government towards the bringing forward of my motion to-morrow. It deals with a very debatable question, which needs decision.

Mr. BLAKELEY.—The question is not even a contentious one.

Mr. JAMES PAGE.—Not with those who favour the removal of the Parliament to Canberra. If the Government would allow us until the dinner adjournment for

its discussion, we might take a vote then, and thus settle once and for all a very vexed matter.

Sir JOSEPH COOK (Parramatta—Treasurer) [10.8].—We must pay attention to the financial position of the country. Unless we can insure a sufficient revenue, even Canberra must look "blue." I suggest that we had better get on with the Tariff, which so profoundly affects the revenue, and leave over a question which, after all, is not particularly urgent.

Mr. RYAN.—What has happened in regard to the proposed notice of motion by the honorable member for Perth (Mr. Fowler)?

Sir JOSEPH COOK.—I know only what I have read in the press about it. I read that the honorable member for Perth (Mr. Fowler) had addressed the honorable members opposite.

Mr. RYAN.—I did not get a letter.

Sir JOSEPH COOK.—Did not his leader receive one from the honorable member for Perth? It is, I suppose, "this confounded press" again. If the honorable member will put his question on the notice-paper I shall try to get an answer for him.

Question resolved in the affirmative.

House adjourned at 10.10 p.m.

Senate.

Thursday, 7 April, 1921.

The **PRESIDENT** (Senator the Hon. T. Givens) took the chair at 3 p.m., and read prayers.

PUBLIC ACCOUNTS COMMITTEE.

WAR SERVICE HOMES COMMISSION.

Senator **J. D. MILLEN** presented an interim report of the Parliamentary Standing Committee on Public Accounts on transactions of the War Service Homes Commissioner with Mr. J. T. Caldwell.

AIR DEFENCE BILL.

Bill presented, and (on motion by Senator **PEARCE**) read a first time.

PAPERS.

The following papers were presented:—

Public Service Act—

Appointment of T. S. Luscombe, Department of the Treasury.

Promotion of S. Rankin, Postmaster-General's Department.

Papers relating to the declaring null and void of the appointment of Lieutenant-Colonel Walker as War Service Homes Commissioner.

PRICES OF COMMODITIES.

Senator LYNCH.—I ask the Minister for Repatriation whether, in view of the fact that on the one hand sugar is dear because it is scarce, owing to not enough of it being got out of the ground, and on the other that butter and other household commodities are scarce owing to the willing soil not being asked to yield sufficient quantities—

The PRESIDENT (Senator the Hon. T. Givens).—Order! The honorable senator has been sufficiently long a member of the Senate to know that questions, whether put on notice or without notice, are only to be asked for the purpose of obtaining information, and must not contain either statements or argument. So far as I have heard the honorable senator's question, it transgresses the rule in both respects, since it contains statements and argument.

Senator LYNCH.—The Minister may be unable to know what I am driving at unless I am permitted—

The PRESIDENT.—That does not matter. The honorable senator's question is not in order.

Senator LYNCH.—In saying that sugar is dear, I have merely stated an incontrovertible fact.

The PRESIDENT.—Under the Standing Orders an honorable senator is not permitted to make statements in putting a question.

Senator LYNCH.—This is a matter of public importance on which I wish to enlighten the Senate.

The PRESIDENT.—The importance of the matter is not in question.

Senator LYNCH.—I can assure you, sir, that if the Standing Orders do not permit me to ventilate this grievance on the present occasion, I shall take an early opportunity of doing so in some other way.

PROROGATION OF PARLIAMENT.

Senator BAKHAP asked the Minister representing the Prime Minister, *upon notice*—

If the Government will take into consideration (now that the Empire is in a state of peace with all great foreign Powers) the constitutional propriety of proroguing Parliament when long recesses are in contemplation, instead of merely adjourning its sittings for a prolonged period?

Senator E. D. MILLEN.—The answer to the honorable senator's question is "Yes."

TARIFF.

DUTY ON FORDSON FARM TRACTORS.

Senator GARDINER asked the Minister representing the Minister for Trade and Customs, *upon notice*—

What is the amount of duty, if any, charged on the Fordson farm tractors imported into this country?

Senator RUSSELL.—I am unable to say, because the amount of duty to be charged depends upon the price of the machine, but the rates of duty on tractors are—United Kingdom, 27½ per cent.; General Tariff, 40 per cent.

PENSIONS.

AMOUNT PAID TO INMATES OF INSTITUTIONS.

Senator EARLE asked the Minister representing the Treasurer, *upon notice*—

Has any increase been made to the amount of pocket-money allowed to the old people in the homes and institutions since the matter was discussed in the Senate last year?

Senator E. D. MILLEN.—Pensioners in benevolent asylums receive pensions of 2s. per week. The question of increasing the amount payable to these people was carefully considered last year, but it was decided that the rate should not be altered.

DISLOYALTY.

Senator WILSON asked the Leader of the Government in the Senate, *upon notice*—

What action do the Government intend to take to prevent the spread of disloyalty alleged to have been displayed by several persons in high positions in the Commonwealth of late?

Senator E. D. MILLEN.—This matter is at present receiving consideration by the Government.

PUBLIC SERVICE.

APPOINTMENTS SINCE 30TH JUNE, 1920.

Senator WILSON asked the Minister representing the Prime Minister, *upon notice*—

What appointments have been made to the Federal Service since 30th June, 1920, in excess of £350 a year—with names and duties?

MINISTERIAL STATEMENT.

BUSINESS OF THE SESSION.

Debate resumed from 6th April (*vide* page 7177), on motion by Senator E. D. MILLEN)—

That the paper be printed.

Senator GARDINER. (New South Wales) [3.9].—In addressing myself to the question that the paper be printed, which I take it the Leader of the Government in the Senate has put in that form in order to give us an opportunity of discussing, not only what appears in his statement of yesterday, but also what should appear there, I think I can join with the rest of the community in congratulating Senator Millen on the success of his recent visit to the Old Land. I understand that he has carried out all the business that was intrusted to him to the satisfaction of those who know its full details. My personal information on the subject is somewhat scant, and was gathered from newspaper statements and reports which I believe the honorable senator is himself inclined to think were not as ample as they should have been. It was only to be expected that the Minister representing the Senate, who went abroad as an ambassador for Australia, would carry out his duties and functions in a highly satisfactory manner.

Senator BAKHAP.—He did his work well.

Senator GARDINER.—His work was well done; and I do not think it is necessary for me, as the Leader of the Opposition, to attempt to find fault.

The statement submitted yesterday was a brief one concerning the business of the Senate for the remainder of a session which has been in existence for many months. I am going to offer a suggestion to the Government, and it is that, as the business does not appear to be extensive, I hope arrangements will be made for our work to be proceeded with from day to day, but not necessarily with the idea of bringing honorable senators long distances merely to sit for a couple of hours, and then return to their respective States.

Senator E. D. MILLEN.—Hear, hear!

Senator GARDINER.—The Minister's "Hear, hear!" convinces me that he thinks as I do. There are matters connected with the papers that have been

laid on the table of the Senate that, I think, call for discussion. For instance, there is a report from General Ramaciotti that I have not yet had an opportunity of considering. I am not, therefore, in a position to discuss it to-day, but I may have something to say about it later.

I am not at all satisfied with the handling of the Wheat Pool, as a result of which the consumers of Australia, whom I have the honour to represent, have to pay more for their wheat than German consumers are called upon to pay. I do not wish it to be inferred from that that I am at all opposed to the Government entering into trade relations with Germany.

Senator KEATING.—Is the honorable senator sure that what he says is correct?

Senator GARDINER.—Yes. As soon as peace was declared it was the duty of the Government to see that a real peace was established, and opportunities given for trade between all nations.

Senator KEATING.—Is the honorable senator sure that Australian wheat is being sold to German consumers at a cheaper price than it is made available to local consumers?

Senator GARDINER.—I may be assured that such is the case by the answers given to questions.

Senator KEATING.—The answer to that question was postponed.

Senator THOMAS.—Do not we object to goods being sent from Germany and sold here at a cheaper price than they can be obtained for in that country?

Senator GARDINER.—If I were a German I would complain; but the point I wish to make is that wheat grown in this country—immediately after we have experienced one of the richest harvests on record—is being converted into bread and sold at a price which is the highest on record. These facts are worthy of consideration. Here is an occasion when we have a statement—I say it unhesitatingly, and if I am wrong the Minister will inform me—showing that the difference between 7s. 7d., the price at which wheat is sold to the Germans, and 7s. 11d., the price at which it is sold to Australian millers, is the difference in the price of wheat at the present time. The Minister, of course, will be in a position to correct any misapprehension if these figures are not correct.

Senator DE LARGIE.—It only goes to show that in the past our wheat has been sold at too low a price.

Senator GARDINER.—Nothing of the kind. Only a few months ago, we were discussing the question of the necessity of the Australian farmer getting the world's parity for his wheat, and the representatives of the Australian Labour party, at their conference laid it down as a sound proposition that the Australian farmer should get a fair profit, based upon the cost of production. At that time we had Senator de Largie, and other honorable senators, claiming the world's parity for Australian wheat because the ruling price in other parts of the world was exceptionally high. But the world's parity at present is, approximately, 5s. per bushel.

Senator WILSON.—The honorable senator is rather late in the field in advocating world's parity after five years.

Senator GARDINER.—We were always the advocates of the farmers getting a fair profit based on the cost of production, and our records will prove that. Senator de Largie and Senator Wilson were anxious that the farmers should get the world's parity when the price overseas was high; but now the markets are falling, we are not likely to hear much about it.

Senator GUTHRIE.—The farmer did not get the world's parity.

Senator GARDINER.—Probably not.

Senator DRAKE-BROCKMAN.—The Australian farmers were £12,000,000 short of that.

Senator GARDINER.—No doubt the honorable senator has been the means of assisting the farmers in the State he represents by the Bill he helped to get through this Chamber dealing with the erection of wheat silos in Western Australia.

Senator BAKHAP.—That measure has not done any harm.

Senator GARDINER.—This is an excellent opportunity for the Minister to tell the Senate how much money was put into that undertaking.

Senator WILSON.—The work has not yet been started.

Senator GARDINER.—If that is the case, why was this Senate asked to go on

with the business of making attempts to lighten the responsibilities of a few individuals gathered together in that State, when months have gone by without the money made available being required?

Senator DRAKE-BROCKMAN.—The Western Australian State Government thought that this Parliament was not sufficiently liberal.

Senator GARDINER.—It is only one of the concessions which the farmers receive.

Senator CRAWFORD.—Perhaps it is intended to start the silos when the Labour daily newspaper has been started in Sydney.

Senator GARDINER.—Will the Government advance us money to get on with that project?

Senator E. D. MILLEN.—Does not the honorable senator think that we have enough pests at present?

Senator GARDINER.—When the Australian Labour party wanted a Labour daily, we never went to the Government for assistance, but raised £100,000 ourselves, and that spirit of independence could be well adopted by the farmers of Australia.

Senator DRAKE-BROCKMAN.—They have not been so liberally paid as the people the honorable senator represents. They have not the money.

Senator GARDINER.—That is not so, as many of the farmers are in a very satisfactory position. There are others, who could have gone shearing on a profitable basis.

Senator DRAKE-BROCKMAN.—Probably.

Senator GARDINER.—Not many of them are doing it, although they are free agents. I rose with the intention of discussing several matters, but, in view of the frequency of the interjections, it would appear that the "spell" of four months has not broken honorable senators off what I regard as a bad habit. It is impossible for me to address the Senate if I am to be continually interrupted; and under these circumstances, I shall reserve what I have to say until some future occasion.

Senator EARLE (Tasmania) [3.19].—There are two items to which I wish to address myself, and one is in connexion with the training of our Citizen Forces. I wish to bring under the notice of the

Minister for Defence (Senator Pearce) the desirableness of making special provision for the youth of Australia to attend technical schools rather than compelling them to undergo military training for such long periods. I want the Government to understand that I am an uncompromising believer in the military training of the youth of Australia for the defence of the Commonwealth. There are a great many people who, after the experience of past years, are rather prone to think it better to abandon all semblance of war preparation. I would remind them that if they desire to live at peace in Australia, if they wish to continue to own this continent, they must be prepared for war. Such preparedness is our only guarantee against war, and this will continue to be the position so long as human nature is constituted as it is. With those persons who object very strongly to the continuance of compulsory training in connexion with our Citizen Forces, I have no sympathy whatever. But I have considerable sympathy with those parents who are anxious that their boys should be permitted to continue to prosecute their studies at technical schools in the evenings, and should not be prevented from so doing by the obligation imposed upon them to attend military drills. In this connexion, I have received a letter from a man whose calm judgment I respect very much. He points out that it is impossible for his boy to attend at the technical school upon the evenings necessary to qualify him for certain examinations. Now, it is quite competent for the Government to exempt from military drills those lads who are obliged to attend technical classes. There are two armies which have to be trained for the success of this country, namely, the military army and the industrial army. We must have trained men to carry on our industrial activities, and it is just as much in the interests of the Commonwealth that students attending technical institutions should be afforded every opportunity to become proficient in various trades as it is that we should become proficient in all matters relating to the defence of Australia. I do not think that the exemption which I suggest would materially affect the training of our citizen soldiers.

Senator Earle.

Senator PAYNE.—Does the honorable senator suggest that lads attending technical schools should be afforded complete, or merely partial, exemption from military drills?

Senator EARLE.—If these military drills could be held without unduly hampering these lads in their technical education, no objection could be urged to them. But in the case which I have cited, the particular boy concerned is placed at a very considerable disadvantage. My correspondent affirms that it is necessary for his son to attend a technical school upon three evenings each week, otherwise he will be prevented from sitting for examination, and the demand made upon him by the military authorities will thus have a far-reaching effect upon his future career as a draftsman. If, after a forty-eight-hour week in his trade, and three nights spent at the technical school, 75 per cent. of his Saturday afternoons is to be absorbed in military drills, in addition to one or more night drills, the boy will be subjected to undue hardship.

Senator PEARCE.—Is that the case of a man in Hobart who has written concerning his boy?

Senator EARLE.—Yes. He informs me that he has despatched a similar letter to the Minister for Defence upon this matter.

Senator PEARCE.—And a suggestion has been made which will overcome the whole difficulty.

Senator EARLE.—Has a similar suggestion been made to other parents? Is it generally known to them that their children may attend technical schools and be exempt from military drills at night?

Senator PEARCE.—The suggestion which has been made is that the boy should join another unit. But the father will not agree to that.

Senator EARLE.—This particular parent claims that his boy is overworked, and I think that his claim is a reasonable one. All work and no play makes Jack a dull boy.

Senator Sir THOMAS GLASGOW.—But the military drill is recreation for him. It is a change from study.

Senator EARLE. — The honorable senator would not care to take his recreation under compulsion.

Senator Sir THOMAS GLASGOW. — I have done so.

Senator EARLE.—The average boy likes to map out his own recreation, instead of being compelled to play at soldiers. In saying this, I am not opposed to military training, but I do not believe that such training should be permitted to unduly interfere with the technical education of our boys.

Senator LYNCH.—The honorable senator is arguing against too much compulsion.

Senator EARLE.—Only where compulsion interferes too much with technical training. I desire that our boys shall be afforded every opportunity to learn the various trades to which they may devote themselves. It is just as important that we should have a skilled artisan population in Australia as it is that we should have an efficient military force.

The other question with which I desire to deal has reference to the answer which I received from the Minister for Defence this afternoon. Honorable senators will recollect that prior to the Christmas adjournment a good deal of discussion took place in this Chamber concerning the allowance which is being made to old persons who are inmates of our various public institutions. I am sorry that Senator Pratten is not present, because he took a very active part in that debate. Upon the occasion to which I refer it was pointed out that it was in the interests of the community generally, and of old persons in particular, that the latter should become inmates of these public institutions, in which their personal needs could be properly cared for. Apparently, the policy of the Government is to drive them out of such institutions or to prevent them entering them if possible. All old persons in Australia are entitled to a pension of 15s. per week if they live privately—that is to say if they remain outside of the institutions which the various States have provided for them. But if an old man goes into an institution, and it may be desirable that he should do so, then he gets no pension. He is not recognised as a pensioner. He is more recognised

as a pauper on the State, and after the Commonwealth provides a certain amount for his maintenance in the institution, it gives him a couple of shillings per week pocket money. When the principle of old-age pensions was established, and the pension was fixed at 10s. per week, the State received 8s., and the old people received 2s. per week pocket money, with which the old men bought tobacco or other little comforts, while, I suppose, the old women spent it in some other way. Now, although the pension has been increased by 50 per cent. to the pensioner outside, there has been no increase in the pocket money allowed to the old people inside the institutions. I strongly disapprove of the Government's policy in this regard. It is not fair, and it is not in the interests of the general community. We should, if possible, encourage those old people who have no private means to go into institutions.

Senator FOSTER.—Did I understand the honorable senator to say that the State institutions received the same amount?

Senator EARLE.—I do not know.

Senator DRAKE-BROCKMAN.—They receive more.

Senator FOSTER.—Then it is the honorable senator's contention that the Federal Government is making money out of them?

Senator EARLE.—I do not say that, but I am confident that the Commonwealth Government is not paying 13s. per week for the maintenance of these old people in the institutions. I have no proof that that statement is correct, but I hazard it, feeling quite sure that the Commonwealth Government makes a few shillings per week out of the old people who remain in the institutions, as against those who live outside. I should like the Government to reconsider their policy in this regard. It may be a small matter, but it is important. Many of these old people were the pioneers who prepared the country for our existence in Australia to-day. Probably they have not been thrifty in the general sense. They have not accumulated anything to maintain themselves in their old age; but are we to condemn them on that account? There is no question that they have rendered a service to the State, the extent of which many of us are prone to undervalue. In consideration of the services which they have rendered to the nation, we ought to

do all we can to make comfortable their remaining years, which after all are few. I have had letters from one old chap in Ballarat and another in Tasmania, giving their age as eighty years. Surely they cannot last much longer, and surely the Government might relax their almost parsimonious policy, and relieve the conditions of these old people a little by increasing their pocket money to at least 5s. per week.

Senator PRATTEN.—Does the honorable senator know the exact position now?

Senator EARLE.—I know that they are still receiving only 2s. per week for pocket money, or the same amount as when the old-age pension was 10s. per week, and the pension is now 15s.

Senator PRATTEN.—Is the balance of 13s. going to the State Governments?

Senator EARLE.—I have hazarded the opinion that it is not. Perhaps the Minister representing the Treasurer can tell us; but I am confident that I am correct in saying that the Commonwealth is not paying 13s. per week for their maintenance.

Senator PRATTEN.—Then the total old-age pension for these people is not 15s. per week.

Senator EARLE.—The Government do not recognise them as old-age pensioners. They are inmates of State institutions.

Senator PRATTEN.—But they would be old-age pensioners if they were outside?

Senator EARLE.—Yes, and that is where the policy of the Government is wrong.

Senator PRATTEN.—And they were old-age pensioners before they went in?

Senator EARLE.—Perhaps some of them had not reached the qualifying age; but they certainly would be old-age pensioners if they remained outside. The policy of the Government is rather to drive them out of the institutions than to encourage them to go in where they are properly cared for by trained people and kept clean and comfortable. A certain stigma is placed upon the old people in present circumstances by their being in these institutions. The old-age pensioner outside can hold up his head and claim to be receiving that which is his due. There is no charity about it. He draws his pension as something which the Government of his country owes to him for services rendered during a long life; but when he goes into a State institution he does not become

an old-age pensioner. He has to depend upon the State for certain charities in connexion with his care and maintenance, and as a further charity the Commonwealth Government gives him a couple of shillings per week. We all know how far 2s. go in purchasing the general luxuries of to-day. It is cut out in tobacco straightway. He is a very moderate smoker who does not smoke 2s. worth of tobacco in a week.

Senator CRAWFORD.—After buying necessities, how much has the old-age pensioner outside left for luxuries on 15s. per week?

Senator EARLE.—He is better off than if he had nothing at all. I do not argue that 15s. per week is enough for the maintenance of a man or woman. It was never contended that the old-age pension was sufficient to keep a man or woman in reasonable luxury. It is merely to assist them, and it does alleviate in some degree the suffering which they would endure through poverty if they did not receive it at all. The pensioner outside is really in a better position, both in his status as a citizen and as regards the amount of money he receives, than those who are residents of the different homes or institutions. Those are the two questions to which I want the Government to give further consideration. No doubt it is a very small item for a Commonwealth Government to deal with, and I am rather surprised that they have been so reluctant to make a small increase in the expenditure of the nation by providing these old people with a little more ready money.

Senator WILSON (South Australia) [3.39].—I indorse Senator Gardiner's remarks regarding Senator E. D. Millen's mission to London. Senator Millen did a great service to Australia, and we, as senators, appreciate to the fullest extent the work that he accomplished on the other side of the world. We all realize that in him, as Leader of the Senate, we have one of the most able parliamentarians in the Commonwealth. During his absence we noticed in the daily papers that he was to be appointed this, that, and the other; but I am sure that we, as a Senate, are exceedingly pleased on re-assembling to find him in his old position. Personally, I feel that we would have lost a tower of strength in the Senate if we had been deprived of Senator Millen's services, and

I am sure that all honorable senators join with me in appreciation of all that he accomplished for Australia at the time when Australia most needed the assistance he was able to render. I also support Senator Gardiner's remarks, indorsed by Senator Millen, that we should push on with the business, sitting daily, if necessary, until we complete it, and not be brought here from all parts of Australia merely to sit a few hours two or three times a week, thus putting all to a great deal of inconvenience. Outside there is a feeling that members of this Chamber should be sitting to earn their salaries, but the taxpayers should realize that unless there is work, and profitable work, for the Senate to do, it would be a waste of money for honorable senators to be called together simply for the sake of assembling. We can do much more useful work in our own States. I trust the Government will facilitate business, and bring us here for longer periods, if necessary, in order that we may accomplish our duties expeditiously. This course would be appreciated by all those honorable senators who have to travel long distances.

Something has been said with regard to the Wheat Pool, the position of which, in my opinion, can only be fairly discussed when taken over the whole period during which the Pools have been in existence. It is unjust and unfair simply to view the position at a time like the present, when there seems to be a decline in the markets of the world. The history of the Pools shows that wheat for home consumption has been previously released at considerably below the world's parity. I was one of those who, when the price for home consumption was fixed last year, thought that it was a mistake to fix it over such a long period of time. It would have been much better had the position been reviewed quarterly, or if a sub-committee had been appointed to reduce the price if necessary. But as the Wheat Board, in which the Commonwealth Government are represented, fixed the price for home consumption at 9s. per bushel for the current year, a compact was made and it cannot now very well be broken. It is, however, a question for the State Governments concerned. If they think it advisable to reduce the price in order to

provide a cheaper loaf for the people, this burden should rest on the entire community, and not on the farmer alone. If this were done, nobody would suffer to any great extent, and the right course would be pursued. I feel confident that those in authority over the scheme will adopt this policy, and not allow the loss to fall upon the farmer simply because a bad bargain may have been made for the Commonwealth. Senator Gardiner persists in saying that the farmers all through have had a wonderfully good deal, and that the people whom he has the honour to represent are carrying an immense burden. He seems to lose sight of the fact that, if the farmer is to make his industry pay he must work double the time at present worked by the men that he represents. Any man who attempted to farm his land, especially land in outlying areas, such as the Mallee country, on the eight-hours-a-day principle, would not be able to pay 8s. in the £1. For this reason, I think it is only right that a compact having been entered into with the farmers, with regard to wheat prices, it should be honoured.

Senator PRATTEN.—The honorable senator is now advocating both a guarantee and a subsidy.

Senator WILSON.—I think we have got beyond the question of a guarantee and a subsidy altogether, as we have absolutely entered into a sale, seeing it was arranged that for the ensuing twelve months wheat should be taken from the Pool for home consumption for 9s. per bushel. I am sure the Government will not now be a party to the breaking of a contract with any section of the community.

I was pleased to hear Senator Pearce's statement that it is not intended to go on with the seventy days' military training. Much has been said about the danger to a boy's morals in a camp for continuous training.

Senator PRATTEN.—Hear, hear!

Senator WILSON.—I tell the honorable senator that I have only one boy, and I am not frightened of his morals being corrupted in any camp. We must not think that we are going to turn our military training camps into Sunday schools. Give a boy a good home training and he will be well fitted for any environment and

for any of those experiences that so often are necessary to make a man of him. I appreciate the point raised by Senator Earle about the danger of continuous training interfering with a boy's industrial or technical education; but I realize, from the Minister's statement to-day, that he is fully alive to the position, and does not intend to ask more than can be reasonably expected from the young men of this country.

I come now to the position of the Senate and the duty of honorable senators in their own States. Like many other honorable senators to whom I have spoken from time to time, I feel that an attempt is being made—I will not say vindictively—to ignore the Federal representatives, and I ask Ministers to, as far as possible, protect the position of senators in their own States. Matters of State concern, in my judgment, should be brought before the Federal Government through the medium of honorable senators. I am not going to say that all those subjects that are brought before the Federal Government by the States Premiers should be introduced by senators, but it is anomalous that as representatives of the States we should get information as to so many such matters only through the medium of the public press; that, in fact, we should be virtually left out in the cold as to what is going on between the States and the Federal Government.

Senator EARLE.—I do not think that is the position generally. At all events, it is not so in my State.

Senator DE LARGIE.—It is very much so in Western Australia.

Senator WILSON.—I can only speak for my own State. I remind honorable senators that we can only justify our position when we can live up to it. If, as senators, we are prepared to do what we can for the State we represent, the Federal Government should assist us by requiring that matters concerning the State should be introduced by honorable senators, or, if district matters, by a member of the House of Representatives.

I hope that the suggestion made with regard to the sittings of the Senate will be adopted. It would greatly increase interest in our affairs if we were to sit daily, and would enable the public to become more fully conversant with the business transacted in this Chamber.

During the last few months we have constantly seen in the newspapers—which, again, is our only medium of information, although we are senators—that So-and-so has been appointed to a particular position in the Public Service. We have learned that many appointments, running into big figures, have been made, and I think that we should be made conversant with all the appointments that are made. I do not know whether the question which I put yesterday was stated broadly enough to cover the higher-paid officials who have been appointed within the period to which my question referred; but I was, and am, desirous of securing a complete list of the whole of the appointments made during that period of officers receiving remuneration in excess of £250 or £500 per year.

Senator E. D. MILLEN.—Do I understand that the honorable senator is suggesting that the list I supplied to-day is not satisfactory?

Senator WILSON.—I am suggesting that it does not cover the field I wish to cover.

Senator FOSTER.—The honorable senator requires information as to appointments, not only to the Public Service, but outside the Service.

Senator WILSON.—I want information concerning all officers who are paid by the Federal Government.

Senator E. D. MILLEN.—If the answer supplied to-day does not give the honorable senator the information he wants, I can assure him that I will take steps to obtain it.

Senator WILSON.—I greatly appreciate the honorable senator's assurance. In common with other members of the Senate, I am anxious to make myself conversant with what is going on in the Federal arena; and the list supplied in answer to my question to-day is not as complete as I desire.

Senator KEATING (Tasmania) [3.53].—There is an implication in the motion submitted by the Leader of the Senate (Senator E. D. Millen) yesterday that the business to which he then referred is practically the only business which the Government propose to submit to this Chamber pending the disposal of the Tariff in another place. I wish to express the hope that the attention of the Senate

will be directed, and its consideration invited, to some matters in addition to the few mentioned by the honorable senator.

A measure was introduced into this Chamber some few sessions back, and occupied its attention for many weeks. It was a Bill for a Commonwealth Bankruptcy Act. The need for it was then great, and the need to-day is still greater.

Senator PRATTEN.—And as time goes on will become greater still.

Senator KEATING.—That is so. For many years the several States Parliaments have hesitated to bring their bankruptcy legislation up to date, because they have believed that it was the intention of the Commonwealth Government, at no distant date, to introduce a measure that would unify the law with regard to bankruptcy throughout the Commonwealth. I do not wish to be pessimistic, or to pose as a prophet of evil, but it is quite possible that, owing to the altered condition of things, the need for something like a uniform bankruptcy law throughout the Commonwealth will be stressed considerably in the near future. Since the Commonwealth came into existence some twenty years ago, trade and commerce between the States has multiplied enormously, and now there are business enterprises which have their original home in one State and have representatives or agencies in one or more of the other States. Trade and commerce are not now, so much as they were before Federation, bounded by the limit and governable by the laws of a single State, but they are bounded to-day, if at all, only by the limits of the whole Commonwealth. One can readily understand that if in future some large trading firm carrying on operations in several of the States became so involved as to make it necessary for it to take proceedings for sequestration the difficulties of those dealing with that firm would be considerably aggravated by reason of the fact that they would be operating in different States under different laws. During the recess, I ventured to bring this matter under the notice of the Prime Minister (Mr. Hughes). I had a communication from him in which he assured me that the matter was receiving attention. He suggested that, on my return to Melbourne, I should get into touch with the Attorney-General. I did get into touch

with Mr. Groom, and he gave me to understand that the matter was proceeding, so far as the Government was concerned, with a reasonable amount of speed. After that, Mr. Groom left Melbourne for New South Wales and Queensland, and since his return I have again seen him in connexion with this matter. Although I am unable to say that he expressly said so, I received the impression from my conversations with him that, early this session, the Senate would be invited to consider an up-to-date and complete codification of bankruptcy law throughout the whole Commonwealth. I hope that Ministers will give this matter consideration.

There are other subjects of legislation which might be introduced, and which are not of a political party character, but which if dealt with by legislation for the whole of the Commonwealth would be very advantageous to trading and the development of the Commonwealth generally. There are numerous powers given to the Federal Parliament under section 51 of the Constitution, some of which we have not so far attempted to exercise. Many of these matters might be dealt with in a non-controversial spirit, and I invite the consideration of the Government to the possibility of dealing with them. I remember that during the session of 1905, when another place was very busily engaged, this branch of the Federal Legislature gave considerable attention to patents, designs and trade marks, and other matters of that character, in respect of which legislation could hardly be considered of a party or controversial character.

One matter to which I wish to refer is that raised by Senator Wilson. He takes exception to what he considers the ignoring to some extent of the members of the Senate as representatives of their States as States. I was very pleased to hear the honorable senator do so, because I have taken the same exception on the floor of this Chamber times without number. Going back to 1904 or 1905, in the early days of the Federation, when the first Premiers' Conferences were held, I directed attention to the fact that the Senate was being ignored, and that if it did not protest it would be ignored more and more as the years went on. There has been a disposition on the part of successive Governments in dealing

with the States, either as a whole or individually, to deal with them as though there were not in the Commonwealth Constitution and machinery a House which was representative of the States as States. I say with due thought and care that that disposition has been very much evinced by the present Prime Minister (Mr. Hughes). There is a disposition to get into direct communication with the Government of a State and to treat the Senate as absolutely non-existent. I feel that the Senate, as the States' House under our Constitution, has not always received the recognition that it should command. Whilst honorable senators are very often approached by the Governments of the States they represent to deal with matters of peculiar interest to those States—

Senator DE LARGIE.—The Western Australian Government very seldom does that.

Senator KEATING.—That is not the case with the Governments of all the States. There is one feature of this matter which has to be remembered, and it is that when there is kudos to be gained out of whatever arrangement is proposed, the Communications of the Federal Government are generally direct with the States. But if there is obloquy to be incurred by reason of the fact that a State does not fare as well as the people of that State think it should in its dealings with the Federal Government, the intercession of honorable senators representing the State is generally invoked. This is an actual fact. I do not say that in every instance the Commonwealth Government, when dealing with a State as such, should communicate directly with the State Governments, but I do say that a little more regard than has been paid in the past should be paid to the fact that the Senate is the States House, and that there are six senators from each State concerned in the adjustment of matters between the State and the Commonwealth, and chosen directly by the people to represent the State in its Federal relations. Without specifying particular instances, and speaking only generally, I trust that the Leader of the Government in the Senate will bring this matter before the Prime Minister and the Cabinet for consideration in connexion with future relations between the Commonwealth and the several States.

Senator FAIRBAIRN (Victoria) [4.3].—I should like to add my meed of praise to that already bestowed by Senators Gardiner and Wilson on the worthy Leader of the Senate (Senator E. D. Millen) for the magnificent work he did overseas. We have had rather scrappy information through the press as to what that work was, but I hope that the honorable senator will take an early opportunity of giving us a review of the work he did. We know that one thing he did was to consolidate the floating debt to the British Government of £40,000,000, on which interest was to be paid at from $3\frac{1}{2}$ to 5 per cent. That alone was a magnificent achievement. I am sure that I voice the views of every member of the Senate when I say that we should like to obtain from Senator Millen a consecutive statement reviewing the work he did abroad. If he makes such a statement I feel sure that the Senate will unanimously resolve that he has done his work worthily and well. From what I heard Senator Gardiner say to-day I feel sure that the whole of the Opposition will support such a resolution, and that would establish an absolutely unique record. We all knew when Senator Millen went away that he was going upon a most important mission. The press was never tired of pointing out how important it was, and I hope he will give us the review of his work some day, when I am satisfied, from the information we have already had, that the Senate will be prepared to pass a resolution of commendation, and assure Senator Millen that he has rendered magnificent service to this country.

Senator Wilson, who is the only farmer in the Senate, has, I think, submitted a practical solution of the very vexed and difficult question of the price of wheat for local consumption in Australia to-day. It is not a question of what the farmers are getting to-day. I was very much struck by a letter which appeared in the press recently, signed by Lemon and Company, from which I propose to read a few extracts to give a complete view of the whole position. The matter is one of great importance. At first blush it does seem a terrible anomaly that the Germans and the Chinese should be getting our wheat cheaper than our own people can obtain it. As to the com-

parative prices per bushel, this correspondent states—and I hope that if it is incorrect our farmers' representatives will say so—that for the season 1915-16 the overseas price was 4s. 9½d. per bushel, and the price for local consumption 4s. 11½d. Apparently, the farmer received the best of the deal during that year. The figures for subsequent years for overseas wheat and wheat for local consumption were as follows.—1916-17, 5s. 1.3d., 4s. 4.76d.; 1917-18, 6s. 8.81d., 4s. 11.69d.; 1918-19, 6s. 9.1d., 5s. 2.8d.; 1919-20, as far as sales up to August the average price was 11s. 9.50d., and since then, if anything, has averaged more, while the fixed price for local consumption was 7s. 8d. per bushel. I am not in a position to say whether the figures are accurate or not; but they must be fairly correct, as up to the present they have not been contradicted. These figures quoted by this correspondent show that if we take the average local consumption for Australia as 34,000,000 bushels, for the 1915-16 season the Australian public subsidized the farmer to the extent of £283,333 6s. 8d., but for the following four years the farmer subsidized the Australian public to the extent of £11,887,412. That is an enormous amount, and apparently the Australian consumers have done remarkably well over a period of years. We have also to recollect that if the Government reduce the price, the reduction would have to be borne by the farmers, including those in New South Wales who have just passed through a terrible drought, and for the benefit of whom the New South Wales Government floated a loan of £3,000,000 in order to save them from starvation. It is impossible for producers so circumstanced to recover their position in a moment, and it would be unreasonable to again penalize them by reducing the price for local consumption. In my opinion, it would be cruel, because by the time these men pay back their loans to the New South Wales Government for wheat obtained, and make up the losses incurred in other directions, they will not be any further forward than they were prior to the drought. All these points have to be taken into consideration, and we have also to think of local consumers, such as dairymen and poultry raisers, who have to purchase bran and pollard, which is costing approximately £10 per ton. It must be remembered that there are many

returned soldiers who have taken up poultry raising. The position demands consideration, and I think the suggestion made by Senator Wilson would meet the case. I am not aware of what it would mean to the Government if it were to contribute about 1s. 4d. per bushel to bring the wheat up to its present oversea parity. The price is now 9s., and the present oversea parity is about 7s. 6d., so there is a difference of approximately 1s. 6d. per bushel; but what that would mean for the remaining period I am not prepared to say.

Senator DE LARGIE.—Would it not be reasonable to give them the £11,750,000 that they have been underpaid?

Senator FAIRBAIRN.—It might take a long time to do that. I do not suggest making any reduction in the price to be paid to the farmer, as an arrangement has been already entered into, and it is one that would be difficult to alter. I think the general community might be asked, through the States, to make up the balance, so that such industries as dairying and poultry raising might be placed on a better basis, and bread supplied to local consumers at a more moderate price. I am not fully conversant with the whole situation, but I think the suggestion made by Senator Wilson is one that might be considered. If that policy were adopted, we would not be penalizing the farmer, who in the past has had to face adversity, particularly in New South Wales, where many have been on the verge of starvation. If the burden is not too great—which I am not prepared to admit at present—I think it might be a good way out of the very troublesome position in which we are placed.

Senator LYNCH (Western Australia) [4.12].—Before the policy debate has been disposed of, I desire to refer to one or two subjects which have already been mentioned, as well as some others which have not been dealt with. With all that has been said concerning the successful mission to Great Britain of the Minister for Repatriation (Senator E. D. Millen) I fully agree. I believe he kept the "end" of this country well up in the highest councils which he had the rare opportunity of meeting at Geneva. He had the responsibility of taking up the burden which was dropped—and which should not have been dropped—and

straightening out the tangle, and he did his work to the satisfaction of the keenest critics to be found in the country. In connexion with the proceedings at the Geneva Conference, I have noticed that the Minister for Repatriation keenly watched the financial position, and, according to newspaper reports, he kept an Argus eye on expenditure. He was the watch-dog of the nations when the expenditure of money was being considered. I trust that he will adopt that policy in this smaller sphere of action, and I will show why there is reason for doing so.

We have heard something about ship-building of late, and consternation has been caused in New South Wales in consequence of the suspension of operations at the Cockatoo Island Dockyard, which has been responsible for throwing a large number of men out of employment. I am sure it is a matter of regret to any Government to be responsible for throwing men out of work; but any one who looks at this proposition squarely, ascertains the truth, and considers the reasons which actuated the Government in bringing to a stand-still a very important branch of industry such as the Cockatoo Island Dockyard, will admit that the action taken was justified. It needs to be stated quite plainly what the reason was for taking such action; and, in my opinion, the dockyard should have been closed previously, if only to give a lesson to the men engaged in that industry. The Government of the country, as the custodians of the taxpayers' money, should zealously guard our interests, so that £1 worth of work should be obtained for every £1 sterling expended. In this regard, I am pained to think, in looking over what has happened there, not only during the time this Government has been in office, but while other Governments have been administering the affairs of the Commonwealth, that the taxpayers have not been getting a fair deal. A member of the Joint Committee of Public Accounts that was constituted before the present Committee gave me his experiences of what he saw in passing through that dockyard. I do not wish to give his name, but I believe he would be quite willing that I

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should disclose it if I were to approach him. The honorable member for Hunter (Mr. Charlton) was Chairman of the Public Accounts Committee at the time, and the member of the Committee to whom I have referred said that they found on inquiry that a rivetting crew in those works was only putting in seventy rivets per day. It must be plain to the casual observer that a big public undertaking cannot be carried on on that basis and succeed. No Government or managers who are responsible for such a condition of affairs are worthy of their salt, or of an hour's confidence.

Senator KEATING.—Do I understand that only seventy rivets a day were placed in position?

Senator LYNCH.—Yes, by a rivetting crew. It is quite plain that not only this Government, but other Governments, have not of late years been getting anything like a fair deal, and in turn, of course, the taxpayers suffer. The reason why I want this Government to insist upon a fair deal is because they were elected to see that the interests of the taxpayers were conserved in such a way that they would get £1 worth of work for every £1 sterling expended.

Certain warships have been turned out. I perused the particulars in order to refresh my memory, and I found that the *Sydney* and *Melbourne* were purchased in the Old Country at £385,000 and £405,000 respectively. The *Brisbane*, which was constructed at Cockatoo Island, cost £770,000, and, according to the figures which have recently appeared in the press, the *Adelaide* will cost, approximately, £1,151,000.

Senator KEATING.—Is that the total cost when the *Adelaide* is completed?

Senator LYNCH.—Yes, to put her in a seaworthy condition. I asked certain questions in this chamber as to costs to ascertain if there was any justifiable reason for the difference either in rating, in armoury, or anything that goes to the make-up of a warship. I was informed, in reply, that there was no practical difference between the three ships, two of which were constructed in the Old Country and one in the Commonwealth. I desire to direct attention to the difference in time in which the *Sydney* was handed over to the Commonwealth and the time

required to complete the *Brisbane*. There was not much difference in either the cost of the material or the wages bill. It cost the taxpayer over 100 per cent. more for the *Brisbane* than for the *Sydney*; but if we take the estimated cost of the *Adelaide* into consideration, we find that the cost has trebled, or, in other words, we could get three ships of the capacity of the *Sydney* for the price which the *Adelaide* will cost. The Treasurer (Sir Joseph Cook) has said that the cost of shipbuilding in Great Britain has doubled; but in this case it has trebled. The average cost of the *Sydney*, *Melbourne*, and *Brisbane* is about £390,000, but the *Adelaide* is to cost £1,151,000. We can make allowance for the high cost of material and the increased cost of labour, but there is still another allowance which must be made. To counterbalance the items I have mentioned there is the increased efficiency that is claimed for the Australian workmen over British workmen, and the modern technical appliances which are now employed in the construction of the *Adelaide* as compared with the other warships. These should be sufficient to counterbalance the points I have mentioned. The policy of this country is generous in the matter of giving encouragement to local industries. For the boots and clothes we wear, the food we eat, the ploughs with which we till the soil, and the machinery we employ in our industries we are prepared to allow 30 per cent. to 40 per cent.; but when it comes to warships we pay 100 per cent. The people at Cockatoo Island, and those behind them, are asking too much from an overburdened people.

Senator GARDINER.—We are paying 200 per cent. more for a suit of clothes now than we paid in pre-war days.

Senator LYNCH.—I am dealing with the time when the *Sydney* and the *Brisbane* were delivered from the manufacturers. In the case of the *Adelaide* the position is still more aggravated. I do not know that the statement which has just been made by Senator Gardiner is correct. It is true that in these days we hear a mighty lot about the high cost of living; but, as I have previously remarked upon many occasions, I am afraid that instead of the high cost of living being the cause of all our ills, the cost of high living is at the root of them. We cannot walk outside this building without

striking a theatre or a picture show which is crowded with people. Then look at the savings per head of our population. There has been a positive increase in these over the entire period during which the people are supposed to have been completely downtrodden. The workers' balance-sheet shows that the savings per head of our population are infinitely more to-day than they were before this cry of the high cost of living was manufactured. In most cases it is not the high cost of living which afflicts us, but the cost of high living, and this is to be found amongst the workers themselves. Of course, I know how my words may be twisted, but I presume that I shall have an opportunity of explaining. If that opportunity be denied me, the people may put whatever construction upon them they please, and treat me just how they will. I have said upon many previous occasions that we are a well-off community. We are well clothed and well fed, and during the war period there was no country in the world in which the cost of living was so low.

Senator DE LARGIE.—And every man has his own picture show.

Senator LYNCH.—Of course he has. We cannot be a downtrodden people and at the same time put more money into the banks than we ever placed there before. Fair play is bonnie play. Let us face the position squarely. The high cost of living in this country is contributed to largely by the loafing which takes place amongst our workmen—the loafing which is encouraged by the Official Labour party. Any honorable senator who cares to take up the records and peruse them may learn from *Knibbs* that there has been a gradual increase in the cost of our production—that a suit of clothes costs ever so much more to-day than it did fifteen years ago. The men who have adopted the “go-slow” policy are to be found in Mort's Dock and in every other dock in the Commonwealth. But the farmer cannot go slow. He is the man who is working double time in this country. There is nothing which teaches men so much as does experience. I have my neck in the collar, and I know what it means. Let those who preach this obnoxious doctrine of “go slow” take up an orchard, a farm, or a fishing area, and they will soon discover the truth of my statements. There is not a single man in our cities who is possessed of a small

capital who should not be engaged in rural production. The single man who walks the pavements of our streets, and idles away "his glorious youthful prime," as Bobby Burns puts it, in a country in which there is so much opportunity for him to make a home and an independence for himself, ought to be shot. That is the very point which I was about to make when you, sir, in the exercise of your discretion, pulled me up. I repeat that we cannot go on paying 100 per cent. increase in the cost of our warships or of our wheelbarrows, whilst we are satisfied to pay only an increase of 30 per cent. upon the ordinary commodities of life. I was very much a Protectionist once; but I am a sane Protectionist to-day; and when the Tariff is under consideration I intend to see that those who desire Protection shall receive just that bare measure of it which is necessary to enable them to successfully compete with articles from overseas, and not a fraction more. Coming to Government Departments, if the Government do not get down to work and give the taxpayers a fair deal I shall not be a supporter of theirs any longer. The closing down of Cockatoo Dockyards did not come a day too soon. Action in that direction should have been taken long ago. The men who adopt the "go-slow" policy should be made to feel their position. Other individuals have had their physical figures deformed by hard work whilst these men were loafing. The time is ripe for a reckoning, and if the Government do not ransack the Commonwealth Departments for the loafers, I shall be no longer a supporter of theirs. When I filled the office of a Minister of the Crown for about five minutes I took steps to tell my subordinates that they would have to put up a pound's worth of work or they would not be paid £1 for it. I believe in giving them the "straight griffin."

The questions which I was about to ask the Government when you, sir, in the exercise of your discretion intervened, read—

1. Whether, in view of the facts that, on the one hand, sugar is dear because it is scarce, owing to not enough of it being got out of the ground, that butter and other household commodities are dear because they are scarce owing to the willing soil not being asked to yield them in sufficient quantities; and, on the other hand, that our cities have too many people who will neither do an honest day's

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work themselves nor let other folks do it, and who keep preaching the corrupt Bolshevik doctrine that in order to eat and drink in full measure it is wrong to give a full measure of work: whether in view of these concurrent facts the Government will communicate with the Prime Minister of Russia, Mr. Lenin, requesting him to exchange half-a-dozen shiploads of genuine Bolsheviks for an equal number of our half-baked variety, the Russian Bolsheviks to be drawn from the districts where a man must either work or be shot, in order to increase our production and so reduce the cost of living?

2. Whether, in the event of negotiations being completed it will be considered advisable to despatch the first shiploads from New South Wales and Queensland in order to ease the congestion in those States?

It is very difficult to make some persons understand unless one gives them the "straight griffin." But any honorable senator who cares to do so may turn up *Knibbs*, and he will there learn that in the output, not merely of gold, but of our manufactured articles, there has been a positive declension which can be accounted for only by the insidious and paralyzing doctrine of "go-slow" which is abroad. That spirit is dominating one of the finest movements that ever originated in this country—I refer to the Labour movement. In this connexion, I may be pardoned for telling a little story. There was a certain member of Parliament in New South Wales, a most estimable man, although he did not know much about politics. He was a rattling good fellow—a kind of half-squatter. He owned a station in the State to which I have referred. A representative of the Australian Workers Union called round one day and said to one of his employees, "How is old Mac treating you?" In reply he was told that "Old Mac was all right." "How is he observing the log?" was the next question put to him. "Oh! all right" was the reply. "Is the food all right?" he was asked. "Oh! yes" was the answer. "And are the living conditions all right?" "Yes" was again the reply. "Well," remarked the Australian Workers Union representative, "You must not be contented like that. What you need to do is to get as much as you can, to do as little as you can, and always to look upon the boss as a blooming blamed blackguard." That is the spirit which is abroad to-day, and it is up to every sane man to resist such a pernicious doctrine. When men talk

about going slow, I put this proposition to them: "If you can make two pairs of boots in a day, for 10s. per pair, and you listen to the evil adviser who is bossing many of our labour unions to-day, and as a result, reduce that output to one pair of boots per day, how can you sell that pair of boots except at double the price? And if the consumer has to pay that double price, who is responsible for it?" The slacker who goes slow merely because he listens to the voices of men who have come from countries in which they could not get their own grievances remedied—countries which are not as good as Australia, where every man who does a fair day's work is assured that he will get a fair day's pay.

This brings me to the position which obtains to-day in regard to certain necessary commodities of life. Take sugar as an example. In the State which you, sir, represent, and of which I have the happiest memories, I have walked along the littoral, and as far as the eye could reach I have looked upon acres and acres of land upon which sugar was being or could be grown. Any quantity of sugar could be raised on those lands. Even the limited areas so far devoted to the cultivation of sugar cane have enhanced greatly in value. I was shown sugar lands worth £60 per acre. I recalled my own domicile in the semi-arid interior of Western Australia, where land would not fetch more than 10s. per acre, and thought "What a happy lot these people are!" I inquired into the surroundings, and found that sugar workers there were getting 30s. a day. I say, "good luck to them to get it, so long as they do not do so by putting somebody else in the mud, and impoverishing other people." But that is what they are doing, because they have forced the price of sugar up in this country to an inordinate figure. Those men are getting that high wage in Queensland, but the wheat industry of Australia, except in the last few years, has never been in a position to pay anything like those rates, although it employs some 230,000 adults. Various Governments, including the one of which Mr. Hughes is the head, have flung a protecting arm around the sugar industry. This Government increased the price of sugar to £30 a ton. Once it was only £14 a ton, then it was

increased to £21, and now it is up to £30. The excuse was made that sugar had to be bought at even higher rates from overseas, and certainly it had to be, but the imperative facts remain that here we have the land, and here we have the people, and at the same time bigger wages and profits are given in that industry than in the sister industries. My contention is that while that is the case, we are not warranted in giving higher rates for the sugar industry than what the equity of the situation demands, namely a wage and a profit equal to that obtaining in the sister industries.

Senator CRAWFORD.—Last year the Government imported 100,000 tons at a price which was £25 a ton above the Australian price.

Senator LYNCH.—I am aware of it, but the sugar industry of Australia could not live for a moment if the protecting arm of the Customs House was not thrown around it. The honorable senator is not going to trade on that while there are other industries in this country, where the value of land has decreased instead of increasing, and where the labour employed cannot be adequately paid. The honorable senator is not going to be allowed to have certain petted industries, such as sugar producing and coal producing, without my calling attention to the fact and casting a vote against an ill-balanced arrangement by which some industries are pampered and others are allowed to languish. The coal industry in my own State is another petted industry. In saying that, I am showing that I am fair, because I do not point to my own State as being free from all spots and stains. The coal industry in Western Australia is another coddled industry, and all such coddling should be at once discouraged. Last year I took a spell, for the first time, I think, during the term of my natural life. I chose North Queensland, because I believe that is the only place in the Commonwealth where a person can loaf without attracting public notice. On my way up to Cairns I landed in Brisbane about the time the Prince of Wales was expected, and I saw there what I never saw before in my life, and never thought I would live to see. As accommodation was hard to secure, my daughter and myself left our luggage at the railway station and went around to find a place to stay at for the night. I

got back to the station at 3 o'clock in the afternoon, and passed in my check for my left luggage. A young fellow came languidly forward with the air of one who would ask, "What the devil do you want?" I passed in my check, and he talked back to somebody else. I looked past him and there I saw three officials, two of whom were in uniform, playing cards. This was at 3 o'clock in the afternoon, in one of the principal cities of Australia! These were the down-trodden civil servants in the Queensland railways, drawing public money for the time they were supposed to be at work. I got my luggage from these gentleman, but only by being very courteous, and all the time three of them continued the game. How can we run a country on those lines? If that sort of thing is happening in the main city of Queensland what is happening away back in the country? A thousand miles inland, I presume, the bottle is on the table, and they are playing half the day. At Cairns I saw the wharf labourers, who looked at me as if they thought I never did an honest day's work in my life, attempting to work. I remember on one occasion seeing men who were supposed to be working for the Federal Government at the Henderson Naval Base, and there I took the first occasion to point them out to the engineer-in-charge. I asked him if they were supposed to be working. When I was told that they were, I said I thought they were posing as statues, like those in the Fitzroy Gardens, because they were so motionless. The wharf labourers at Cairns were the last word in working. They had sweat rags on, to wipe the sweat that never came. Those rags were spotlessly clean—probably the cleanest things they had on. I will leave the description at that, only saying that if the wharf labourers or any other body of men think they are advancing their cause by giving that sort of service in return for a day's pay, they should be told that they are not only injuring their own cause, but taking the first long stride towards bringing their country to ruin.

Senator GARDINER. — What would happen if a wharf labourer looked into this Senate occasionally?

Senator LYNCH.—I do not believe in fouling my own nest. Beyond Kuranda, on the line inland from Cairns, lie the

Atherton tablelands, one of the most fertile belts of country in Australia. A number of men are struggling there to start the dairy industry, but they cannot get labour. Several of them told me this was because the wages paid around the coast were so high that men would not go inland. I know the conditions of the industries around the coast. There are, for instance, the wharf labourers, with their close preserve. They will not let a man in if they think he will be an extra competitor. There is also the sugar industry which, by virtue of what the Government have done for it for years, is able to give more for hired labour than its sister industries in Australia can afford to offer. This means that the poor "cockie" in the dairy industry in the interior has to break down the forest, fell his own trees, burn his own rubbish and milk his own cows, because the coddled industries of the Commonwealth will not allow him to obtain the necessary help. When we came back to Sydney, a place that wants sobering up pretty badly, my daughter and I stayed at a friend's place. The first thing we found was that we could get no butter. This was after we had learnt that the Atherton dairymen could not get help, and, I suppose, the same thing was happening in the magnificent Northern Rivers District of New South Wales. When I found I could not get a pound of butter, I had to resort to artifice to obtain it. We could not buy it at Anthony Hordern's because there was a notice displayed there—"No butter for sale." So we went down to the Rocks, which was my haunt many years ago. I asked for butter in one of the shops, and was told that I could buy only $\frac{1}{2}$ lb., so I paid down 7 $\frac{1}{2}$ d. for that quantity. My daughter asked for a $\frac{1}{2}$ lb. also, but the shopkeeper said he could not serve her if she was my daughter. She had to go to another shop and purchase another $\frac{1}{2}$ lb. for 7 $\frac{1}{2}$ d. This is in a country where no labour is available for the dairying industry. The secret of it all is this: We have our big, overcrowded cities, and our policy is directed to keeping population there, while our country areas are neglected. The effect is to send up the cost of living; whereas, if the population was distributed on something like an equitable basis between the cities and

the country, we should not hear so much of the cry about the high cost of living.

Senator Gardiner interjected regarding the Senate. There was a time when the party of which he now claims to be the *crème de la crème*, recognised that the Senate was a legislative body which it ought to gain and hold at all costs. The years passed on, and it was found that Senator Gardiner's party was very sparingly represented in this Chamber. Then the opinion of the Labour party changed, and instead of the Senate being almost a holy of holies in their estimation, it sank to such a level that they regarded it as a legislative incubus. The same party that once cried, "Preserve the Senate as the custodian of our liberties and the bulwark of our freedom," now says, "Away with the Senate; it is of no use." I do not wonder at Senator Gardiner doing and saying what he is told. At one time, he was taught to think that the Senate was a necessary part of our legislative system, and he said so. Now, he is taught to think and say that it is a useless encumbrance.

Senator GARDINER.—All I said was that criticism of the workers for going slow comes very ill from this Senate.

Senator LYNCH.—The Senate is here for what it is worth. Let Senator Gardiner clear the little patch in front of his own door before he starts to wipe up the front of anybody else's door. I say that having in mind his speech this afternoon.

I wish to address a few words to the newspapers of this country, and particularly to one in this city. I have often read remarks in that paper that would lead me to think that I belonged to a Chamber to which no credit attached. That view has been put forward consistently by that paper for a number of years. All I can say is that, so far as I have been able to judge of the very continental sentiments which it ought to breathe and express, it has never expressed anything savouring of a broader nature than is confined by the boundaries of Victoria. It claims to be Australian in sentiment, temperament, and sympathy; but it is nothing of the kind. Its circulation is confined to Victoria, and it speaks and acts only in accordance with the fact that it depends for its bread

and butter on subscribers within Victoria. It says that the Senate is a legislative nullity. The Senate is not brought together by a haphazard process. Its members are chosen by the free and, I hope, intelligent, expression of opinion of the electors scattered over the mighty area of the Commonwealth. When the people of the seventy-five constituencies in the six States come together at election time and choose from amongst themselves the men of the best standing and the best equipment, mental and otherwise, to represent them in this National Parliament, it ill-becomes any provincial newspaper, whose articles are written in a dusty back room in Melbourne, and whose editor has, possibly never been beyond the kerbstones of Collins-street, to throw mud at a body of men constituted in that fashion. I say that with a due sense of my responsibility as a representative of the people and a man not above criticism. Any one who regards himself as above criticism is taking the first step in that movement which resulted in the downfall of angels as well as of men. Let us be criticised, in the name of Heaven, when we do wrong; but not subjected to this senseless and relentless criticism of which I speak, more particularly when those who are posing as our critics are so ill-equipped for the job.

I come now to what I regard as the most important item in my discourse this afternoon, and that is the absence of any indication in the policy of the Government for the proper development of the northern part of this country. I feel I am speaking a platitude when I say that if we do not fill the north of Australia, as it is our duty to do, we run the risk every moment of our national life, so long as it is empty, of some one else stepping in to fill it for us. I must make it quite plain, before I deal further with this matter, that I am not speaking in the interests of my own State. I cannot be accused of that. I want honorable senators particularly to note the report tabled by Mr. Hobler, one of our Commonwealth engineers, dealing with his extensive tour last year through the north-west of Australia, and it is my intention to mention just a few facts to bring home to honorable senators an appreciation of the enormous area of country we have there, and the slight effort that is being made to turn

it to practical account. In his report, which was placed on the table of the Senate last year, Mr. Hobler dwelt upon the vast stretch of country which he had passed through, approximating 230,000 square miles. Probably members of this Chamber know little about two important rivers in that part of the country, namely, the Fitzroy and the Ord Rivers, and for their information I wish to make a few comparisons. The Fitzroy River, which is only part of the immense *terra incognita* of which I speak, drains an area of 50,000 square miles, and the Ord River an area of 20,000 square miles, or a total for the two rivers of 70,000 square miles. In the whole of that vast country there are only 700 or 800 people, while within a few days' sail lies Java, with less than 60,000 square miles and a population of 33,000,000 of people. But, in addition, there are other big river systems in the north-west, such as the Gascayne River, draining an area of 31,000 square miles; the Ashburton River, draining 24,750 square miles; the Fortescue River, draining 19,600 square miles; and the De Grey River, draining 25,750 square miles. These are all on the north-west side, and do not include the true northern watershed of Western Australia.

Senator J. D. MILLEN.—But is the land as fertile as the land in Java?

Senator LYNCH.—In reply to the honorable senator I will read a paragraph from Mr. Hobler's report if, by so doing, I do not weary honorable senators or overburden my own remarks. Mr. Hobler states—

With proper systems of water conservation on the Fitzroy and Ord Rivers, sufficient water could be made available to irrigate large areas of first-class agricultural land on both rivers, and institute industries giving a yearly turnover of several millions of money, besides providing the means of closer settlement which, as also in regard to pastoral industry, would mean the tremendous enhancement of the value of the country, and, consequently, its great utility in making railway and other means of development pay.

I particularly emphasize the fact that these two river systems drain a larger area than the whole of Java, which carries a population of 33,000,000 people, and that they are only part of Western Australia; and that there are other river systems combined or individually draining a similar area of country. Not enough is known of these immense fertile areas, even by the citizens of Western Aus-

tralia, and naturally less is known by the people in this part of the Continent. I sum up by stating that Queensland has made rapid and wonderful development as the result of a vigorous public works policy, and has reached a stage of highly successful production. The part of Western Australia I refer to is the ward, so to speak, of a small community of 350,000 people, and to develop it properly is certainly beyond their power. The first step that should be taken by the Commonwealth towards peopling and providing Australia with the best credentials to hold the country is to build a railway line that will connect its own system with those in Western Australia, and in turn with the Queensland system, thus making defence easier, as well as attracting a large and prosperous population. The proposed railway line to link up with the Western Australian system at Meekatharra will be 1,030 miles in length, and running in a circular direction it could connect with the transcontinental railway, which I hope soon to see constructed from Pine Creek to Oodnadatta. It might be said that this line would mean a big bill for the Commonwealth, but construction can be carried out for about £5,000 per mile; and, after all, this is the only way in which we may develop the area and expect to hold it.

I am not pleading for Western Australia at all. Some people say, "You have your Western Australian railways." Of course we have, but I remind those who advance that argument that before it was built the Premier of Western Australia was quite willing to build our portion of the railway towards the border, but South Australia did not fall into line. I am simply proving the *bonu fides* of my own State by showing that out of our slender resources we were quite prepared to build our portion of the transcontinental line if the Commonwealth did not care to undertake the task. Unless we people this vast area the matter will probably come up at a sitting of the League of Nations or elsewhere, but particularly at the League of Nations, and we might have the question put to us, "Show us your map. Draw a line across it at a certain latitude. How many people have you got there?" We want our answer to be that we have so many people already settled there, and that we are spending

so much money in its proper development, instead of devoting our attention to southern areas and the land adjacent to the eastern coast-line. We want to be in a position to say that we intend to hold the north, and that we are doing something for it. It is up to this Government to get a move on, and, by negotiation with the Western Australian Government, ascertain if, in the terms of the Constitution, they are prepared to build the line to develop that country. In the interests not of Western Australia alone, but of this vast Continent, which we feel is good to live in, we must do something to people and develop our north-western areas.

Senator PEARCE (Western Australia—Minister for Defence) [5.0].—After the breezy and common-sense remarks to which we have just been listening, I feel inclined to apologize to the Senate for coming back to a matter of administrative detail; but Senator Earle, when speaking this afternoon, made statements to which it is just as well I should reply. I understood him to urge that in the arrangements for Citizen Force training, provision should be made to prevent night parades clashing with instruction given to night students of technical schools. I may tell the honorable senator that instructions have been issued to every area officer that, in making up a syllabus of parades, this fact should be borne in mind. But as Senator Earle continued his remarks I realized that he was dealing with a particular case in Hobart, a case which does not fall within this category. He was referring to a lad, a member of an engineering unit, and who is studying at a technical school with a view to becoming an engineer. Naturally he would like to be associated with an engineering unit, but, unfortunately, the nights fixed for the parade of the unit clashed with the nights fixed for his technical education, although the parade night is suitable for all the other members of the unit. A suggestion was therefore made by the military authorities to the father that the lad should transfer to another unit, still a technical unit, though not an engineering unit, but to this the father strongly objects, so that after all it appears to be a case of the private declaring the rest of the company out of step. The father demands that

the boy should be retained in the engineering unit, and that the night fixed for the parade, although suitable for all the other trainees, should be changed to meet his particular wishes.

Senator EARLE.—In such a case, why not exempt the boy?

Senator PEARCE.—Because there is no necessity to do that. The father admits that the parade nights fixed for the other technical units are suitable, and do not clash with the boy's technical education, and it seems to me that he should accept the suggestion made by the military authorities, for while it is the duty of the authorities to do everything to meet the wishes of the individual, there is a duty laid also upon the individual to do something himself to meet the requirements of the law of his country. In this case, the lad could comply with the law without inconvenience. There is no particular hardship in night parades for the Citizen Forces, and for the Senior Cadets night parades have been done away with. Parades are held in the daytime, and they are largely of a recreational character. I can assure Senator Earle that what he asks for is already being done. Definite instructions have been sent out that every military officer shall, so far as he can, arrange the syllabus of training so as to interfere as little as possible with the educational work carried on at night in the technical schools. Every effort is made to convenience the boys.

Senator EARLE.—Where that cannot be done could not the policy be adopted of exempting from training boys attending technical schools?

Senator PEARCE.—I do not see why, because a boy attends a technical school, he should be exempted from military training. As a matter of fact, in the half-year there are only eight home training parades for the Citizen Forces. Can any one say that that represents a real interference with the career of boys attending technical schools?

Senator J. D. MILLEN.—Parades on only eight nights during the whole half-year?

Senator PEARCE.—Yes; we are having an eight days' camp, and eight home training parades are arranged for, during the half-year. These parades are not all held at night. Some of them are held on

the Saturday afternoon. The difficulty is that the boy referred to by Senator Earle desires to continue a member of a particular unit, and wishes that the whole of the other members of that unit may be inconvenienced to suit him. That is not reasonable. I suggest to Senator Earle that he might advise the father of the boy that whilst the Government has some obligation to him, he has also a little obligation to the Government, and he might meet his obligation by agreeing to the suggestion that the boy might be trained with another unit, which would enable him at the same time to continue his technical training.

Senator BAKHAP (Tasmania) [5.7].— I wish to refer to the time-honoured practice of a senator who has been honoured by the Senate by being placed in the position of its Chairman of Committees not taking part in any very controversial debate. But the Ministerial statement contains certain matters of a nature which lifts them high above party considerations, and I feel sure, therefore, that my fellow senators will not regard it as a transgression on my part if I have a few words to say on the motion now before the Senate.

I have a full appreciation of the very great work performed in the interests of the Commonwealth by Senator E. D. Millen at the Geneva Conference and at various other Conferences which need not be particularized, but attendance at which was incidental to his duties as our representative in Europe. He had, so to speak, to pick up the threads of a spool, which, if not exactly thrown down, had at least been laid aside, and he did his work very well. How onerous it was probably no one but himself knows, but we at least can have some appreciation of it, although we had not the closest possible knowledge of it, and do not possess that knowledge even at the present time. We know, without being told, that he had to pit himself against some of the keenest intellects of the world and of the Empire at the Geneva Conference, and, despite anything that might be said to the contrary, I have no hesitation whatever in asserting that Senator Millen has done Australia a most notable service by the work he has performed.

The Ministerial statement says that this is to be a Tariff session. The nature of

the Tariff is of very great importance to the domestic economy of Australia. I am not going to say very much about it, except that the professed fiscal policy of this country is a Protectionist one, and any assistance I may give in regard to the deliberations on the Tariff in this Chamber will be on Protectionist lines. I am not a fanatical Protectionist. If I were sure that we were going to have a couple of hundred years of peace, I should in all probability be a Free Trader; but the millennium is not at hand, and we have to consider, in regard to the domestic economy of Australia, that because of possible contingencies in regard to our national life many things must be produced in this country which may have to be produced at a greater cost than attends their production in other countries. A very simple illustration may be given to indicate our position in the economic field. We might have rifles, munitions of war, and many other things, produced in other countries and imported to our shores at a less cost than we could produce them for on Australian territory; but it would be the very counsel of foolishness in an extreme degree to say that we must always be dependent on overseas sources for the guns and munitions with which to protect our shores should fateful times come upon us. If we could get cartridges, guns, and other things necessary for our defence from abroad at 95 per cent. less cost than that at which they could be produced here, nevertheless we must produce them here. Just as man does not live by bread alone, so we do not live by cartridges and guns alone, and there are thousands of things such as galvanized iron, wire, and almost every article enumerated in a Tariff that are necessary to our civilized existence. Because of the fact that the world has not yet reached the millennium it is necessary that a community like ours inhabiting a continent down in these southern seas, should have at its hand, and in its own markets and industries, the capacity to produce all that is necessary for our national needs. Consequently, I am a Protectionist. I am aware of the beauties of Free Trade as a theory. I am aware of the fact that Free Trade may be an excellent thing in certain circumstances, for a country, for instance, like the United Kingdom; but the fact remains that, in our present circumstances, and with the contingency of

world-wide disturbances ever present, it is necessary that the Commonwealth of Australia, claiming as it does one of the world's continents, should have a Protectionist policy. Therefore, in no fanatical spirit I declare myself a Protectionist for the purpose of establishing in this Commonwealth all that may be necessary to make it as self-contained as possible, because of the troublous times that, in my view, may still be ahead of us.

I do not propose to discuss many matters of domestic policy, for, after all, what does the size of a man's overdraft in the bank matter to him if he is going to be executed to-morrow? Imperial questions of very great import are mentioned in the Ministerial statement, and, when we consider another phase of the subject, which has been so interestingly dealt with by Senator Lynch, viz., that probably not more than 5,500,000 people claim exclusive possession of this continent, at least in some degree, and in relation to certain races of the world, we have to address ourselves to the important points of how we are likely to maintain our position, how long we are likely to maintain it, and what means we must employ to secure to ourselves that exclusive possession of the territories of this Commonwealth which practically every Australian demands.

It may be laid down as a self-evident proposition that if 5,500,000 people at any time claim possession of a whole continent, they shoulder tremendous responsibilities in regard to what might be called the opinions of outside mankind, and they must justify themselves. The very same argument, as Senator Lynch very properly indicated, will be applied to us as we in our daily economic life apply to the squatter. We say to the squatter, "You are a land monopolist. You have large areas of land which were acquired in the early history of the continent. Those areas are now fit for closer settlement. The nation, in its exigency and in consequence of its modern development, asks you to consider the necessity of your land being acquired in the interests of the nation for subdivision and settlement by returned soldiers, if you please, or by other persons who may care to go on the land." That is the principle we observe in regard to men who have held large areas of land in this country, it may be for decades only, but that is the principle which will be ap-

plied to the 5,500,000 people of Australia when they claim practically exclusive possession of one of the world's continents.

Senator E. D. MILLEN.—The principle of effective occupation.

Senator BAKHAP.—Yes, "the principle of effective occupation," as the Minister very cogently interjects. It may be that, taken as a whole, our country is not as productive or fertile as some believe, but in view of its vast extent and the fact that it is so thinly populated, the question of our external relations and our Imperial relation, the question of how we can buttress ourselves in our position in the British Society of Nations, becomes one of paramount importance to us. Therefore, without any very great discussion of what may be called our immediate domestic affairs, I wish to say a few words on that part of the Ministerial statement in which it is explained that honorable senators are possibly aware that a Conference has been called at which important matters will be discussed by Imperial Ministers and the Prime Ministers of the various self-governing Dominions in June next, and that it is the intention of the Prime Minister of the Commonwealth to make a full statement on the subject in another place, which the Senate will be afforded an opportunity to discuss.

No doubt that course will be adopted, and I have no wish to anticipate what may be said by the Prime Minister (Mr. Hughes), but rather than in the spirit of the plagiarist follow what may be said by others, I wish, of my own volition and independent judgment, to make a few remarks on this overwhelmingly important matter. Senator Earle and other honorable senators have necessitated some remarks in reply from the Minister for Defence (Senator Pearce) in regard to some small incidences of our defence policy. We have been told of seventy days' camps, and that they are going to corrupt the virile youth of Australia. I have no hesitation in saying, whether it loses me votes or gains votes for me, that I regard the whole business as so much humbug. We must defend this continent. It is not a question of a seventy days' camp, but whether this continent is at any time to be occupied by an enemy camp. That is the real question. To those good-natured and probably excellent individuals who believe that the

millennium is at hand, and that, because of the projection of the League of Nations, we are going to secure a prolonged period of peace, I say that we must take into consideration what human nature is. It is, perhaps, almost a platitude to say that human nature changes or improves with almost inconceivable slowness. This is the Senate of Australia, and I am not going, as Senator Lynch very properly says we should not do, to depreciate the abilities of honorable senators collectively or individually. I believe that, with all the defects which may be attributed to men who represent rough and ready pioneer communities, the members of this Parliament, and of this Chamber in particular, will compare favorably with any similar number of men, elected by a similar selective process, in any other nation of the world.

Senator J. D. MILLEN.—In spite of Viscount Bryce?

Senator BAKHAP.—Yes, in spite of Viscount Bryce. Honorable senators will remember that in the discussions which took place during the war period, when I was advocating certain efforts on the part of our people and the people of the Empire generally as necessary to preserve our Imperial existence and bring about that victory which was essential to its preservation, the name of Mr. Asquith and other names which do not loom so large to-day, were continually dangled before me, as the names of gentlemen, eminent in Imperial circles, who did not hold the same views as I did. Their names were quoted to "squash" me, and relegate me to outer darkness in connexion with the discussion of Imperial questions. I said I never feared the dangling before me of the great names of other men who had been honoured by the electors of a Democracy, and who had been placed in such a Chamber as this. They were entitled to the full and free expression of individual opinion for what it was worth. I have lived to see my views adopted by the supreme Council of the Empire, rather late in the day, but, nevertheless, adopted, God be thanked! at a time to insure their triumph by a narrow margin, and to achieve a victory which prevented us from experiencing that defeat which would have been fatal to our national and Imperial existence. Viscount Bryce is a very great man, and he, of course,

would lament, and does lament, the absence from our councils of men with University training—men who have some knowledge of the lore possessed by the Latin and the Greek—but that is not all. Many of us possess something which Viscount Bryce may not like; I think we do. Viscount Bryce, eminent man as he is, and prominent writer as he may be, is not, I think, sufficiently broad a philosopher to understand the problem which we as Australian senators have to face.

Senator E. D. MILLEN.—Viscount Bryce saw our defects, but he did not see the defects in his own class in his own country.

Senator BAKHAP.—Exactly. And he does not see those virtues which we possess. Human nature changes very slowly, and, in fact, it changes with inconceivable slowness. I have spoken of the ability which I feel sure some honorable senators possess in no small degree; but, at the same time, to illustrate my point, and to indicate to those people that the millennium is not on the point of arriving, and that no such thing is likely to happen, I will show that the members of that august body, the Roman Senate, differed very little from ours. At any rate, our Senate does not differ greatly as regards individual passions and ambitions. It differs, if anything, to the advantage on this point of the members who compose this Chamber. In regard to mere literary culture, probably Cicero was more than the equal of any man that the whole of the Australian Parliaments can produce. Lepidus, Cæsar, Crassus, Cato and Brutus were men of ability and power. Perhaps all these men were in many respects of higher intellectual status and capacity than any of our own. I say perhaps, because they have come down to us through the shadows of that antiquity which forms a background, and their abilities, through mere perspective, loom somewhat larger than the capacity of our contemporary men. Nevertheless, they were great men, and I would not, allowing for modern conditions, care to say that members of the Australian Senate are the superiors of an equal number of men in the ancient Roman Senate. I make this point to illustrate the fact that human nature does not change, or if it does, it is, as I have said, with inconceivable slowness. That being so, man is

a warrior still, and our racial and social ambitions are going to find expression, not only in the language of the diplomats but in action.

It is because of the fact that many national and racial aspirations are going to find expression in action very soon—honorable senators know I have always held this opinion—that the discussion of the question of defence is fraught with great issues and almost beyond the imagination of the statesmen of this Empire. It is one of the principal factors for immediate consideration, as it involves the whole of our national interests. Ours is the most singular Empire of which history has any record. All Empires which we know of have or had one or more of three characteristics. There is the Empire wholly founded on force, the Empire of culture, and the Empire of colonization. Ours is an Empire having all these three characteristics. As it is one of force—although, perhaps, to a small degree, at least in intention—it is also one of culture and one of colonization. We here in Australia are evidence beyond all doubt that it is an Empire of colonization. We have evidence that it is an Empire of culture. It is also a tutelary Empire, as it attempts to do what it considers necessary for inferior races. It is an Empire, it is true, founded on force, but Imperial existence has reached the stage that it claims to dispense as far as possible with the exercise of force. In that respect it is unique. This Empire is very young when we take into consideration the period over which the Roman Empire extended, or when we consider the periods over which the Chinese, the Japanese, the Assyrian, or the Persian Empires have extended. Our Empire in regard to life is merely a child. There were certain colonies which came to England as the dowry of foreign princesses. We did not possess a single colony, I think, until the Cromwellian period, when I believe we acquired Jamaica. Our Empire has attained its present position very rapidly, and very largely from the fact that it has been a colonizing Empire, as its Dominions overseas have been largely colonized by people of its own race. It is true that it is still an Asiatic Empire. India is a portion of the British Empire, and we maintain it partly by force, partly by culture, and partly by tutelary influ-

tion in connexion with the lives of the Indian people. The white people of the Empire have to maintain it, and only 60,000,000 or 70,000,000 are available. In this jealous, ambitious world men are still inclined to reconstitute a kind of abattoir. We possess an Empire that is upheld only by the force of 60,000,000 or 70,000,000 white people, all of whom are not fighting units. We have reached the point where we deprecate the use of force. We profess to be an educated Empire. We give our own people almost complete self-governing powers, so complete that there are now serious discussions proceeding in the public press concerning our entering into Imperial relations on the basis of an acknowledged international status. A university professor has said that the Commonwealth being a signatory to the Peace Treaty is now an independent power. Another gentleman, the Chief Justice of Victoria, who was long associated with the political life of Australia, has said that our status has not altered in the eyes of the other nations of the world, and that as an Empire we are still a diplomatic entity with one diplomatic voice. He has said that if we attempted diversion we would be bailed up by the limitations of nations. The true position is really to be found between these two statements, and an accurate diagnosis of the case would show that our relationship within the Empire carries an unexpressed but real power to exercise some form of exterior representation while willingly retaining our grouping as a member of the Imperial family. The whole position is in a state of flux, and of indetermination. It would be unfortunate, indeed, if the Commonwealth thought fit to appoint a diplomatic representative in the kindred Anglo-Saxon country, the United States of America, and the Imperial authorities said, "You must not do that." I do not think they would. They would give permission to exercise that measure of independence in at least semi-diplomatic action, and allow us to have our own representative in Washington. I have always held—as honorable senators are aware—that such an appointment would be beneficial to the Empire, because Australia is a nation within the Empire, and we are, I think, on excellent terms as a people and as a Commonwealth with the citizens of the

United States of America. The appointment of an Australian High Commissioner would, I feel sure, do a lot to remove the differences existing between the United States of America and Great Britain, in connexion with matters which I do not intend to particularly mention, and honorable senators know why. I have always advocated the representation of the Commonwealth at Washington, because I feel that if Canada, which is within the Empire, has a diplomatic representative at Washington, Australia would be allowed similar representation.

Senator E. D. MILLEN.—Representation has been granted, but no appointment has been made.

Senator BAKHAP.—Quite so. So delicate is the whole situation, and so careful must we be concerning our relationships within the Empire, and our status outside, that we must select the best means, in all circumstances, and at all times, for Australia to be represented in the councils of the Empire. It may be that our present and particular system of Empire may run its course more rapidly than circumstances would for the moment indicate, and that the bond which holds us, or rather the link which binds us, to the people of the Old Country may be a comparatively slender one. It is true that the Imperial Parliament has authority over us legislatively, which I feel sure it would not exercise except with the greatest discretion and after consultation with our responsible Ministers. But it still has that power. The whole situation is most delicate, and we must address ourselves to as complete an adjustment as is possible in the circumstances.

I desire to repeat that I do not think 5,500,000 Australians will be permitted to hold this continent and be protected unless we remain a unit within the British Empire. I see no hope for us otherwise. If we attempted to go upon our own account, we should be ridden over just as cavalry ride over a broken square. It is only by the associated protection of the other units of the Empire that we can hope to hold the territories of this Commonwealth. So delicate is the position that I can only refer to certain features of it very, very vaguely. I must address honorable senators as if they individually

knew all my opinions, and had been admitted into the very recesses of my mind. I take it for granted that most of them do understand me in that way; and if I make allusions which cannot always be understood by the general public, I feel sure that honorable senators generally will not be able to accuse me of uttering anything which is either obscure or indefinite. A position which I have long foreseen, and to which I have referred in other circumstances, is very rapidly maturing. We, who are within this Empire, have to remember that to a very large extent it is an Asiatic Empire. The Asiatics in the British Empire overwhelmingly outnumber the other populations. If we are just to the other peoples of this Empire, that fact must colour all our relationships with them. It must determine to a certain extent our policy and our attitude within the Empire, and towards the other white units of that Empire. A very grave position is hastening to its climax. There is likely to take place in the near future the consummation of a situation which is of momentous importance. I cannot be more particular in dealing with this matter, but honorable senators will understand what I mean. I addressed them upon it a year or two ago, and I have no reason whatever to vary the opinions which I then expressed, to retract anything which I then said, or to modify the philosophy which I hold, the principles of which I believe clearly indicate the progress of events. The opinions which I have held during the last year or two of certain tendencies towards certain events have not been relinquished, but are, rather, being held with even greater force. The Prime Minister (Mr. Hughes), I hope, is going Home. Let every Australian forget, for the moment, all asperities, all little petty political feelings, and think of the responsibilities in the way of decisions which the Prime Minister must make at the Imperial Council table. I was educated in a different political school from the Prime Minister. In regard to many matters of domestic policy, I freely admit that I am prone to examine any proposals which emanate from him very minutely, and,

sometimes, even, very suspiciously. But when he goes Home to the Imperial Conference, I have unreserved confidence in him as a man who is a true Imperialist, and who will do everything in his power to buttress to the utmost extent, everything within the Imperial circle, and particularly those ideals which the Australian people hold dear to them. Whilst listening to me, honorable senators may perhaps think that I am a dreamer and an idealist; but I would like them to remember that in the course of the past few years not many of my predictions have lacked verification. There are men who have a singular capacity, so to speak, for examining national events, and clearly discerning national issues. The other day I read, for the second or third time, a book by Professor Crambe on the relations between Germany and England. The Professor died the year before the outbreak of war, yet we have in his book a clear exposition by a professorial and brilliant intellect of what he saw would come to pass.

Senator J. D. MILLEN.—His forecast was wonderfully correct.

Senator BAKHAP.—It was correct to the extent of 95 per cent. He said what has been said by Napoleon and other possessors of great intellects in a hundred different ways, but what is always true, namely, that in the course of human affairs there are certain events which happen in spite of the factors that would fain check the influences which bring them about. He said that there were plenty of men in Germany, in England, and in different countries of Europe—men of intellect, ability, and of good meaning, who hated the idea of a European war, of this tremendous crash, this *Armageddon*. But he said that it would take place all the same. We know that it did take place. So, too, events which will determine for good or for ill the history of Australia, and of the kind of people who will inhabit this country 300 or 400 years hence, will happen in spite of all our desires for peace, in spite of our abhorrence of seventy-day camps, and in spite of our dislike of the cost of armaments. This trial of strength, either by moral or actual physical combat, between certain great forces, is about to take place, and I fear that it will take place very soon. If

that be so, let us one and all—Australian legislators and Australian citizens—give our hearty support and our best wishes to the Prime Minister, irrespective of whether we like him personally or not; let us give him every chance to go Home, and by the full exhibition of his powers, which I am sure are not decadent, do the best he can in the Imperial Council circle to bring about decisions which may favorably affect our children and children's children to the very latest generation.

Senator DRAKE-BROCKMAN (Western Australia) [5.44].—I desire to add my compliments to those which have already been extended by other honorable senators to Senator E. D. Millen for the very fine work which he did recently whilst representing Australia at Geneva, and in London. I do hope that we are going to hear from him as full an account as he is able to give—having regard to all the facts—of the work which he accomplished and attempted. The matter to which I particularly desire to refer is very closely associated with the speech which has just been delivered by Senator Bakhap. Since I entered public life, I have made many endeavours to fully inform myself on international affairs. But every step I take in that direction is hampered in a most extraordinary way by secrecy. Honorable senators may have noticed a letter by Professor Harrison Moore, which was published in the *Argus* of the 30th April last, in which he complained that certain documents which were available in Canada and South Africa, and which had been fully published, were not yet available in Australia. I hold his letter in my hand, and I intend to read out the documents to which he referred. They are the documents which I have endeavoured to secure from time to time since I became a member of this Senate. It is strange that they are not yet available, although we are expected to take an intelligent interest in international affairs. We have been told that, by virtue of the Treaty of Versailles, and of the Covenant of the League of Nations, which was drawn up during the labours of our representatives in Paris, the status of the Dominions of the British Empire has been entirely changed. That is a vague statement, which may mean a lot, or which may

mean very little. At all events, we have not had an opportunity of examining the documents which are said to so vitally affect the status of Australia, with a view to enabling us to decide what is the exact position. Nor, indeed, have we ever had anything from the Government except very general statements in regard to this matter. It is peculiar that both Ministers and Departments should be so obsessed with this extraordinary desire for secrecy. A very good illustration of what I mean in this regard may be found in the action of certain permanent officers of the Defence Department. The gallant and distinguished members of the Senate who were with me upon active service will remember that, from time to time, documents were issued to officers in the field marked "Secret." They were generally in the nature of comments upon military operations, and stressed the lessons to be learned from various phases of the war. They were issued to all officers down to platoon commanders, and copies of them were forwarded to Australia and the other Dominions in order that those Dominions might profit from the lessons which had been learned, and that those lessons might be passed on to the recruits who were being trained in Australia, with a view to subsequently joining the Forces already in the field. I am, however, credibly informed that these documents are still in safe custody under lock and key, and that they have never seen the light of day. Yet they were distributed to all officers in the field in France down to platoon commanders. The same extraordinary secrecy which has been observed in regard to these documents is also indulged in by Ministers and Departments upon matters which are of great interest to the members of this Senate. I propose to read a list of the documents which we ought to have in order that we may gain an intelligent view of what happened at the Peace Conference, and form intelligent conclusions as to whether there has been any alteration in the status of the Commonwealth of Australia, and, if so, what it is. According to Professor Harrison Moore, these documents are—

(1) The cable messages and despatches between the Commonwealth Government and the Australian delegation concerning the representation of the Commonwealth at the Peace

Conference, and the status of Australian representatives at the Conference, together with any communications on the subject between the Australian delegation and the British Government.

(2) The memorandum dated 12th March, 1919, and circulated by Sir Robert Borden on behalf of the Dominion Prime Ministers.

(3) The Order in Council or other instrument (if any) executed in Australia moving the King to issue full power to the Australian delegates to conclude with the representatives of other States treaties in connexion with the Peace Conference, and to sign, in the name of the King, in respect of the Commonwealth of Australia.

(4) Any document showing how and through whom (*i.e.*, whereby through the medium of a responsible British Minister or by direct communication from the Australian Government or their representatives in Great Britain) the instrument in question reached the hands of the King.

(5) The letters patent under the Great Seal of England, or other instrument, issued by His Majesty, appointing plenipotentiaries in respect of the Commonwealth of Australia.

(6) Any correspondence between the British and Australian Governments concerning the ratification of the Peace Treaty.

(7) Any Order in Council or other instrument executed in Australia moving His Majesty to ratify the Treaty of Peace with Germany for and in respect of the Commonwealth of Australia.

(8) Any communication showing how and through whom His Majesty did ratify the Treaty on behalf of the Commonwealth.

(9) A statement showing how far the forms observed in the case of the Peace Conference and the Treaty of Peace with Germany have been observed in the case of subsequent Conferences and Treaties.

(10) Rules of the Peace Conference contained in Annex No. II. to Protocol I. of the Conference, defining the position and representation of the several Powers, including the Dominions (dated 18th January, 1919).

(11) The memorandum, signed by M. Clemenceau, President Wilson, and Mr. Lloyd George, as to the meaning of Article IV. of the League of Nations Covenant, and affirming the eligibility of representatives of the Dominions for membership of the Council of the League.

I am informed that they have been published in Canada and South Africa, but they have not been published in Australia, and they have not even been made available to members of this Chamber.

Senator BENNY.—They are in Duncan Hall's *British Commonwealth of Nations*.

Senator DRAKE-BROCKMAN.—It is true that one can get them if he goes to the necessary expense and trouble, and happens to know that they have been published, and where. Unless one happens to know these things, he has no possible opportunity of informing himself on the

very important matters contained in these papers. I am certain that there is only one, or perhaps two, men in the whole of Australia who have a full knowledge of international affairs, and who could give, on behalf of Australia, a well-informed and intelligent decision. One is the Prime Minister (Mr. Hughes), and, possibly, the other is the Leader of the Senate (Senator Millen). Is that a proper state of affairs? Is it right that there should be only two men in the whole of Australia sufficiently informed on international affairs? Should there not be more men capable of giving a decision or an intelligent opinion on those subjects?

Senator J. D. MILLEN.—Or capable, at any rate, of forming an intelligent judgment.

Senator DRAKE-BROCKMAN.—And, of course, forming an intelligent judgment, as the honorable senator suggests.

When the Constitution of Australia was originally drafted, it was not contemplated by the gentlemen engaged in that work that Australia would for many years be in a position to enter into international contracts or treaties with other nations without the consent and concurrence of Great Britain. It was deemed then that all those matters would be entirely controlled by the Government of Great Britain, and although our Constitution was in great measure moulded on the Constitution of the United States of America, provision in that regard was not incorporated in it, as it had been in the American Constitution. In the United States of America the President has power to make treaties with the advice and consent of the Senate. The Senate there, as here, represents the various States, which were, and are, sovereign States, just as the Australian States are sovereign. It is clearly set out in *The Federalist*, written by Alexander Hamilton, that it was deemed necessary that the sovereign powers of the sovereign States of America should be contained in the House which represented them. I submit, therefore, that as this Senate represents the sovereign States of Australia, it is the proper House to have control of the international affairs of Australia. In order that there may be in it men sufficiently informed on international affairs, there should be in this Chamber, as there is in the United States Senate, a Select Committee for International

Affairs. It should have access to every document that comes to Australia—under the seal of secrecy, if honorable senators like. Every communication between the Government of Australia and the Imperial Government, and every communication on international affairs that comes to the Governor-General for the information and guidance of the Government, should be placed before that Select Committee, so that we may have not merely one or two men in the public life of Australia with a proper knowledge of international affairs.

Senator WILSON.—Do not the Cabinet as a whole see the whole of those documents?

Senator DRAKE-BROCKMAN. — I think not. Even if they do, the Cabinet is mostly drawn from another House, which is elected for three years. If there is a change of opinion in the country, every one of those men, with the information that is so essential to Australia, goes out of public life, whereas if the men intrusted with that knowledge, and acquainted with the action that should follow on that knowledge, were in the Senate, they would at all events be here for six years, and much less likely to be wiped out of political existence by a change of public opinion. If we had a Committee of six senators, three of whom held their seats for three years and the other three for six years, even if at the next election the first three went out, we should still have three who had made it their duty to keep themselves fully informed on international affairs, and who had studied international and constitutional law. Three more out of the newly-elected senators could then be chosen to co-operate with them. In that way we should secure continuity of knowledge and continuity of policy. This is a matter which the Government ought to consider earnestly at an early date.

The documents to which I have referred should be placed on the table of the Senate, and printed and distributed amongst members at once. The absurd secrecy in which the Government have indulged on these questions should come to an end, and we should have, at all events, sufficient information made available to us to enable us to form an intelligent opinion upon international affairs. At present we do not get that information from the Government or through the

press. The press of Australia, unfortunately, at the present time, particularly the press of this State, pays much more attention to "tiddly-winking" affairs than to international affairs. Every morning we see great headlines about political situations that exist only in the imaginations of the men who write the articles. If the press devoted that space to educating Australian opinion on international affairs, they would do much more good than by trying to stir up political strife. If Viscount Bryce had been here this afternoon, and listened to some of the speeches made here he would have realized, I think, that the intellectual attainments and the mentality of the members of the Senate, and the education of some of them who spoke this afternoon, reach a very high standard. I would impress on the Government also that the members of the Senate possess a standard of ability that justifies their being placed in possession of information which will enable them to form intelligent conclusions on the very important international situation now existing. This is an important question, and I shall follow it up again and again. This is the second time I have referred to it on the floor of this Chamber. My last outburst was caused through an illustration of the striking want of knowledge on the subject of one of the best informed senators in this Chamber. If that gentleman was without the information then, he is still without it, because those papers have not been made available to him.

When war was declared, a scale of pay for the various ranks of the Australian Imperial Force and a scale of pensions for the widows and orphans of the various ranks, were decided upon. I do not know what the Government had in their minds when they fixed one scale for the private, another for the subaltern, another for the captain, and another for the major, but I should imagine that they thought that the officer on active service was going to run greater risks than the men in the ranks, and that the proportion of officers to be killed was going to be greater than the proportion of men in the ranks. I assume that this was what the Government had in their minds. The facts are certainly borne out by the assumption I make that when they offered greater pensions for persons of higher responsibility

Senator Drake-Brockman.

and higher commands they did so with a view to getting the best men to offer themselves, on the principle that the greater the risk the greater the pension. It was decided, I think in 1914, that the widow of a private should receive £1 per week, the widow of a subaltern £1 15s., and the widow of a captain £1 18s. 9d., plus 10s., 7s. 6d., and 5s. for three children. I need not go any further, because this serves to illustrate what I mean. Nor need I touch upon what happened between 1914 and what now obtains. Today the widow of a private with children receives £2 2s. per week. In other words, her pension has been a little more than doubled, and properly so, on account of the high cost of living, and because the original pension fixed was too low. But there has been no proportionate increase in the pensions paid to widows of men in other ranks; so that a subaltern or a captain's widow receives £2 2s. per week, and a major's widow £2 4s. 6d., only because, in the latter case, this amount was fixed originally. Is this fair? If it was right to make a difference in the first place on account of the varying risks to be taken—and I presume that was the reason why it was done—is it fair now not to give some relative increase to the widows of subalterns and men of the higher ranks? I appeal to the Government to take this matter into consideration, and once again revise the pensions scheme. Not very many widows would be affected, but at present it is felt that they are being unfairly treated, and that the undertaking given to their husbands before they went on active service is not being honoured.

Senator FOSTER.—Is it not a fact that representatives of returned soldiers were responsible for the alteration?

Senator DRAKE-BROCKMAN. — I do not care who was responsible. The Government must accept the responsibility for having adopted the altered scheme. If it was right in the first place to make any distinction in the pensions allowance, their relatives are entitled to the proportionate increases now.

These are the only two matters I desire to refer to this afternoon. There are a number of other subjects to which I might direct attention, but, after the eloquent address by my fellow senator

from Western Australia (Senator Lynch), I am afraid that I might weary honorable senators. May I say, however, before resuming my seat, that I appreciated very much the sentiments given expression to by my friend, Senator Lynch.

Senator E. D. MILLEN (New South Wales—Minister for Repatriation) [6.6].—I do not intend to detain the Senate long, but I desire to refer to certain remarks made in the course of the interesting discussion this afternoon. First of all, let me say how much I value the very kindly references made by Senator Gardiner concerning my trip to Europe. I appreciate his remarks the more because between the honorable senator and myself, unhappily, there occasionally arise some slight differences of political opinion. I also gratefully acknowledge similar remarks made by other honorable senators concerning the same subject.

One statement made by Senator Gardiner rather surprised me, and I refer to it now because similar remarks have been made elsewhere. He said that the Senate had not been informed of the reason for my visit to Europe, and that he had only a nebulous idea of the purpose for which I went abroad. I remind the honorable gentleman that prior to my departure from Melbourne the Prime Minister (Mr. Hughes), in the other House, made a full statement as to the matters to which I should direct my attention in Europe, and, therefore, it is not the fault of the Government if honorable senators were not fully informed upon this point.

I quite agree with Senator Gardiner's suggestion as to the conduct of business in the Senate, and seeing that the Government propose to confine honorable senators to a discussion of the Tariff, it is likely, and, indeed, inevitable, that there will be a considerable interregnum in the working period of this Chamber during the present year. However, I shall endeavour to do what I can to see that we work during working hours, and adjourn when there is no work to do, and in this matter I feel that I am entitled to ask for the co-operation of all honorable senators. I remind them that frequently when a Bill is brought up, not a very important measure perhaps, in order to avoid calling honorable senators together the following

week it becomes necessary to ask the suspension of Standing Orders to take the first and the *pro formâ* second-reading stage in one day, if there is a desire to crowd our business into a reasonable time. When occasions of that nature arise the Senate should not be unduly detained by protests against the suspension of the Standing Orders to which I refer.

Senator GARDINER.—But if the Standing Orders do not permit of our doing business in a businesslike way, why not alter them?

Senator E. D. MILLEN.—Because our Standing Orders have been framed for the protection of the Senate, and in the ordinary course of business they are necessary. Only when an emergency arises is it desirable that we should not be slavishly bound by them, and then it is the privilege of the Senate to suspend them.

I would now like to say a word or two regarding the price of wheat, to which Senator Gardiner directed attention this afternoon. First of all, I take exception to a very widespread tendency to assume that—whether the price fixed is right or wrong—I am not dealing with that now—the responsibility rests upon the Commonwealth Government. I challenge that statement at once. It may have been wrong to fix the price of wheat at its present figure; but I point out that the existing machinery which controls the wheat is not under the authority of the Commonwealth Government. The wheat farmers themselves primarily, and the State Governments, are the responsible authorities. The wheat is the property of the farmers. The Commonwealth Government are associated with the machinery for the proper reason that the Government are financially interested in the scheme. They have given a definite guarantee that a certain price shall be received by the farmer for every bushel of wheat he has produced, and, therefore, as the guarantor of this big account the Government are bound to keep themselves informed as to what is going on, and, if necessary, to have some final vote if it is thought that the interests of the Commonwealth, as the guarantor, are being jeopardized. The question seems to resolve itself into the consideration of two things, namely, the world's parity, and are our farmers to get it or not. To me it appears obvious that we cannot have the world's parity one day and object to

it the next. If it is to be a world's parity to-day it must be a world's parity always. Some exception has been taken to the fact that our people are now being charged more than world's parity for their wheat, and to those who demand world's parity to-day I say that it is only fair to pay it right through. Are they prepared to do that? When this agreement to pay 9s. per bushel for wheat for home consumption was made, world's parity was 10s. 10½d. If the farmer is to be content with world's parity now—assuming that parity has fallen below 9s.—are those who now clamour for world's parity prepared to make it retrospective? Senator Wilson suggested that the better plan would have been to appoint some committee to make re-adjustments from month to month or quarter to quarter. Probably that would have been a useful plan, but, in my judgment, the fixing of the price for a long period was expected to give greater stability, and because of the long period, the price was fixed at something below world's parity. Had the price been fixed from month to month on the basis of the world's parity, it is quite clear that up to the present the Australian consumer would have paid more than he has paid to date. I have no doubt that, like everybody else, the consumer likes to get his requirements supplied as cheaply as possible, but I feel satisfied that objection is now being urged entirely with a view to creating political prejudice.

Let us turn now to the question of the sanctity of agreements. When this agreement was made the wheat was then, as it is now, the property of the growers. They had their Board, on which they were properly represented, and when the question arose as to what the Board would charge each State for wheat required for local consumption it might have fixed the price at world's parity—10s. 10½d.—but instead it was agreed to fix it at 9s. On the basis of this agreement a definite quantity was bought for a definite price. What would have been the position if the price had gone up? Would we have had any demand that, as the price had increased the farmer should get more? Are we to suppose that these people who are now clamouring to have the price

brought down would then have headed a deputation in the interests of the poor wheat farmer, and would they have said, "It is quite true that the farmer's wheat was sold to us for 9s. a bushel, but the price has since gone up, so here is another 2s. per bushel extra for the poor devil." Of course, no one can imagine such a position arising.

I say that a bargain was made, that 30,000,000 bushels of wheat have been sold, and that there is now neither a moral nor a legal right to ask for any reduction. It might be advisable for certain reasons, and to meet the varying conditions of different sections of the community that the position should be reconsidered, but again I say that it cannot be reconsidered as a matter of right. I repeat that the Commonwealth Government are not involved in the matter. If those who are clamouring for a reduction in the price of wheat appeal to the State Treasurers to secure a reduction of price, they can only do so by withholding from the farmers some portion of the money which under the agreement they ought to receive for the wheat which they grew, or by making up the difference out of public funds.

I pass from that subject to say a word in reply to Senator Wilson's remarks about new appointments to the Public Service. I do not know whether the list supplied by me was complete or not, but I hope the honorable senator will accept my assurance that it was thought to be a sufficient answer to his question. If he will point out where it is defective I shall see that the defect is remedied.

Senator Keating suggested that we might occupy some spare time in dealing with a Bankruptcy Bill. The honorable senator will pardon me for saying that I had almost forgotten that measure. I shall consult the Crown Law authorities to see if it is possible to find the Senate a little more work to do in the direction suggested during the time we are waiting for the Tariff.

Senator PRATTEN.—Could not the Government also consider a Commonwealth Companies Law.

Senator E. D. MILLEN.—I shall look around to see if it is possible to find some work to meet the keen desire amongst honorable senators to do business, which has evidently been created by Senator Lynch's speech.

Referring to Senator Lynch's remarks, I want to say how heartily I agree with him, as I believe every member of the Senate does, that something more than mere material prosperity is required, and that the permanent safety of this country rests upon a great developmental and immigration policy.

Senator KEATING.—Not the immigration of Bolsheviks.

Senator E. D. MILLEN.—No, immigration of the kind referred to by Senator Lynch.

Senator Bakhap in a most thoughtful speech referred to the coming Imperial Conference in June. There will be a debate on that subject very shortly, and the honorable senator will therefore pardon me if at present I make no further comment upon his remarks except to say how much, in common with other honorable senators, I appreciated them.

Senator Drake-Brockman made some observations about the non-publication of documents. If the honorable senator will allow me to say so, I think he somewhat exaggerated the bogie of secrecy. On examining the list of documents, which at a glance may appear to be a tremendously formidable one, it will be found that nine-tenths of them are not of great moment. One, for instance, is an inquiry as to the channel through which an Executive minute reaches His Majesty the King.

Senator DRAKE-BROCKMAN.—I did not exhaust the list, by any means.

Senator E. D. MILLEN.—The honorable senator did not, or he would have strengthened my argument. The publication of many of these documents would not add to the general knowledge of the matters with which they deal. They may be of interest to men like Professor Harrison Moore and others concerned as historians with constitutional history and methods, but their publication would be no great help to the people generally. What does it matter to the general public that a document in reaching the King is carried through a particular door by messenger A, or through some other door by messenger B? The Government have no desire to withhold information which may be properly published; but with the present Government, as with others, there has always been a restraining influence due to the fact that many of these documents deal with matters which are not solely the concern of the Commonwealth

Government. They have had a natural hesitancy to publish papers dealing with matters in which other Governments are concerned. It may be in this case that some inquiry should have been made as to whether other Governments were willing to consent to publication. It may be that the Canadian and other Governments published the papers without asking that question, but I feel confident that the Government of the Commonwealth have no desire to withhold from members of this Parliament information which might be safely and properly put before it.

Senator DRAKE-BROCKMAN.—Am I to understand that we shall get the papers I referred to?

Senator E. D. MILLEN.—That I cannot say. All I can say is that I will represent to the Government what has been said here. Although I am not master of the situation, I venture to say that these documents will be forthcoming now that attention has been drawn to the matter.

Senator Drake-Brockman suggested the establishment of a Committee corresponding to the American Foreign Relations Committee. He suggested that such a Committee established here should have full access to, and control over, these papers. There may be something in the idea, but I direct the attention of the honorable senator to the fact that there is one very fundamental difference between this Senate and the American Senate. We have responsible government here, and it does not exist in America. There may be persons who do not appreciate what responsible government means, or its great value, and the way in which it is interwoven into our system of government; but I do say that so long as responsible government is maintained here we cannot with safety adopt some of the institutions that are part of the American Constitution. Further, when the honorable senator contends that the Senate should take control over international affairs, I venture to remind him that such a proposal will not square with the views held by our Democracy outside. The view the honorable senator has expressed would receive no countenance from the Australian public, nor would the idea receive a very long shrift if whispered within the walls of an adjoining chamber. Senator Drake-Brockman will, I think, find upon further consideration that whilst his idea might possibly

embody some advantage, it is almost impossible of attainment. I wish to join with the honorable senator in expressing my appreciation of the most interesting debate with which the proceedings of the Senate this afternoon have furnished us.

Question resolved in the affirmative.

Senate adjourned at 6.29 p.m.

House of Representatives.

Thursday, 7 April, 1921.

Mr. SPEAKER (Hon. Sir Elliot Johnson) took the chair at 2.30 p.m., and read prayers.

COCKATOO ISLAND DOCKYARD.

Mr. MAHONY.—Has the Prime Minister yet received the report of the Board that has been inquiring into the conduct of affairs at Cockatoo Island? If so, does he propose to read it; and, if he finds that it is not satisfactory, will he consider the advisability of appointing a Royal Commission, consisting of members of this House, to investigate these matters? Does he propose to take steps to prevent the men there from being displaced?

Mr. HUGHES.—The report of the Departmental Committee was received a few minutes ago, and I have not yet had an opportunity to read it; but, recognising its importance, I shall read it during the day, and shall subsequently inform the House of the findings of the Committee; and, without hesitation, state whether, in my opinion, they are satisfactory and exhaustive, or such as, in the circumstances, should be accepted as final. If the findings are not of that nature, and honorable members are of opinion that investigation by a Royal Commission is needed, I shall not object to its appointment. As to the second question, I postpone my reply until I know what the findings of the Committee are. As what the honorable member desires would require the further expenditure of public money, it will be for honorable members to say, since the vote of this House has been exhausted, whether they think that more money should be made available. They will be given an opportunity to do that.

NORTHERN TERRITORY REPRESENTATION.

Mr. TUDOR.—Is it the intention of the Minister for Home and Territories to bring in a Bill to give representation to the Northern Territory, either here or in the Senate?

Mr. POYNTON.—The matter is receiving the consideration of the Cabinet, and no decision has yet been come to.

EX-SENATOR READY.

Mr. CONSIDINE.—I ask the Prime Minister if ex-Senator Ready is engaged in the compilation of a work which is being subsidized by the Government? If so, what is the nature of the work, and the amount he is receiving from the Government?

Mr. HUGHES.—I see no reason why ex-Senator Ready should be treated differently from any other citizen, and any honorable member who can give a reason for different treatment should state it. I know of no work upon which ex-Senator Ready is engaged which is being subsidized by the Government, but I shall make inquiries. If he is so employed, let me be told the particulars, and I will express my opinion on the subject.

PUBLIC SERVICE SUPERANNUATION BILL.

Mr. HECTOR LAMOND.—Can the Prime Minister now say when the Commonwealth Public Service Superannuation Bill will be introduced?

Mr. HUGHES.—As I said yesterday, it is not the intention of the Government to submit any measures of legislation for the consideration of the House this session; but, if the House expresses the desire for more legislation, who am I to stand between members and their earnest efforts?

FEDERAL CAPITAL.

Mr. JAMES PAGE.—Will the Prime Minister give an opportunity for the discussion of my notice of motion for the removal of the Parliament to Canberra after this session? A majority of members have requested me to get it brought on at the earliest possible moment?

Mr. HUGHES.—Democracy is a form of government which is beyond criticism

by us, and it expresses itself in terms of majorities. If the honorable member has a majority behind him, all he has to do is to show that that is so.

Mr. JAMES PAGE.—Give me the opportunity, and I will do so.

Mr. AUSTIN CHAPMAN.—A good majority, too.

WAR SERVICE HOMES DEPARTMENT.

MUNICIPAL RATING: REVIEW OF PENSIONS.

Mr. BOWDEN.—My attention has been drawn to the loss of revenue suffered by municipal councils through the action of the War Service Homes Department in taking up land and holding it, and not paying rates thereon. Cannot the Department arrange, in regard to the ordinary rates payable, in connexion with such land, that the amounts involved shall be forthcoming for the benefit of the municipal councils concerned?

Mr. RODGERS.—Any land owned or acquired by the Commonwealth for the purpose of the War Service Homes Commission is not subject to taxation by municipal authorities. But as soon as it is subdivided and placed in the possession of the soldier applicants the land becomes rateable property.

Mr. CHARLTON.—Is the Minister aware that since the transfer of war pensions from the Old-age Pensions Department to the Repatriation Department officials, acting on the advice of a medical officer sent from Sydney to the northern districts, have either reduced or cancelled pensions which have been paid in many cases to partially incapacitated men, and in some instances to men who have been fully incapacitated?

Mr. RODGERS.—The whole question of pensions has received consideration by the Commissioners. There is a general review undertaken of the whole of these pension matters. There has been no direction, either by the Government, or by the Minister for Repatriation, or by the Acting Minister, to reduce rates of pensions or to cancel or to increase them. The subject is one which, by reason of its very nature, must be periodically reviewed.

Mr. CHARLTON.—But pensions have been cancelled in the cases of men who cannot work and who have families.

Mr. RODGERS.—It is impossible for me to deal with individual cases in an answer of this description. All pensions rest first upon the matter of legal rights and then upon the basis of medical evidence, considered from time to time as the various cases are reviewed.

REDISTRIBUTION OF SEATS.

Mr. AUSTIN CHAPMAN.—Does the Minister for Home and Territories propose to take early action in the direction of bringing about a redistribution of seats throughout Australia?

Mr. POYNTON.—Honorable members are aware that a census was taken last Sunday. As soon as the requisite data has been furnished to the Electoral Department steps will be taken in the matter of the redistribution of seats. Officers of the Electoral Department have been informed in that direction, and I expect to get a certificate from the Chief Electoral Officer at the earliest possible moment after the census has been compiled.

GIFT OF SCULPTURE.

Dr. MALONEY.—Two cases of very valuable sculpture have been sent out to Australia by one of our leading sculptors. By some gross oversight, if not something worse, these cases have been left lying about for a year or more. This House, representing the Commonwealth, will surely offer courtesy to the artist who has made the presentation to us; and as that sculptor is Mr. Bertram Mackennal, I ask what official is to blame for the gross carelessness displayed in the treatment of these two cases of valuable works of art.

Mr. SPEAKER (Hon Sir Elliot Johnston).—I think that question should be addressed to the Prime Minister. As a matter of fact, two cases were delivered here, and have remained in the precincts temporarily at the request of an officer of the Prime Minister's Department, namely, Mr. Shepherd, who informed me by telephone a considerable time ago that two cases had been consigned to the Government, and that the Prime Minister's Department had no place in which to put them. Mr. Shepherd said that they contained statuary; and, since they had to be removed at once from the wharf, he asked permission

to have them left temporarily here pending arrangements for their removal elsewhere. The matter concerns the Prime Minister's Department.

Dr. MALONEY.—Then I ask the Prime Minister, in the interests of art in Australia, if he will make inquiries and inform the House what officer has been to blame for this piece of gross carelessness.

Mr. HUGHES.—I will make inquiries.

CLERICAL STAFF.

Mr. BLAKELEY.—In the course of a statement made by yourself to the House yesterday, Mr. Speaker, you remarked that the clerical staff of the House of Representatives cost £60 less to-day than twenty years ago. In view of that statement, will you take immediate steps to place the staff upon at least a living wage?

Mr. SPEAKER.—I think I made it clear yesterday that, although the amount of salaries in the aggregate was less now than twenty years ago, that did not imply that there had been any reduction in the salaries of any officers of the House. Quite the contrary is the case.

Mr. BLAKELEY.—What about the high cost of living?

Mr. SPEAKER.—That factor has been provided for. There has been no complaint by any officer, so far as I am aware, on that score. There has been no reduction in the salary of any member of the staff. Many, indeed, have received increases. But the saving was consequent upon a re-arrangement of duties, and this did not involve any financial disadvantage to any particular officer of the staff.

CONSTITUTION CONVENTION.

Mr. RYAN.—In view of the statement of the Prime Minister yesterday, regarding the intention of the Government to deal only with the Tariff this session, I wish to know if the right honorable gentleman can give the House any idea of the period during the life of the present Parliament when it is intended to submit a Bill to provide for the holding of a Convention to consider alterations in the Commonwealth Constitution.

Mr. HUGHES.—I tried to explain that yesterday. When I spoke of the work of the session, I spoke in the language of hope rather than that of ex-

perience. I thought that this House would accept my words as an indication that as soon as it had finished with the Tariff it need not, unless it liked, do any more work until my return from England. But, of course, as I indicated in reply to another honorable member just now, if this House wishes to do more it may. The Convention proposal will be dealt with later on in the year. Whether that period may be regarded as in the same session, or as in another session, is not very material. Before the end of this year the Convention Bill will have been passed into law. At least, that is the intention of the Government, and it is one which will be acted upon. An election of delegates to the Convention will be held at the earliest possible moment in the new year, and the Convention itself will be inaugurated immediately afterwards. When I stated that the House was to be asked only to consider the Tariff, I meant that that was all that we proposed to ask honorable members to deal with immediately. I said yesterday—and I propose to make a statement in regard to the matter this afternoon—that a Conference was to be held in London in June next, and that in view of that fact it was not the intention of the Government to ask the House to proceed with any further business except the Tariff. I would only like to remind the honorable member that those of us who were here when the last Tariff was under consideration have a somewhat chastened experience of what that means. The honorable member, perhaps, is more optimistic than we are. He is probably right, but as far as I can remember the consideration of the original Tariff extended over something like fifteen months. At all events it occupied our attention for a very long time. I feel sure that the discussion of the new Tariff will not cover so long a period, and when it has been dealt with all the business that this House will have to deal with will be that which it deliberately brings on itself.

SENIOR CADETS: ANNUAL TRAINING.

Mr. PARKER MOLONEY.—Will the Assistant Minister for Defence inform the House whether it is the intention of the Government to insist upon the proposal for 70 days continuous training for senior cadets?

Sir GRANVILLE RYRIE.—I replied yesterday to a similar question addressed to me by the honorable member for Nepean (Mr. Bowden). I then referred the honorable member to a statement made by the Minister for Defence (Senator Pearce), and published in the press, in which he said that the consideration of the matter would be deferred pending the return of the Prime Minister from England.

COCKATOO ISLAND DOCKYARD: SHIPBUILDING.

Mr. RILEY asked the Minister for the Navy, *upon notice*—

(1) What alterations have been made in the original plans and specifications of H.M.A.S. *Adelaide* from the time its construction was first entered upon?

(2) (a) What is the actual cost of such alterations, and (b) on whose recommendation were the original plans and specifications departed from?

(3) On what date was the keel of H.M.A.S. *Adelaide* laid?

(4) What new construction work has been entered upon since that date—showing names of vessels, tonnage and actual period of construction of each vessel?

(5) If the dockyard was able to complete the work on the above vessels in the time stated, what reasons are advanced for the lengthy period of construction and delay in the completion of the H.M.A.S. *Adelaide* up till the time of the recent dismissals of workmen?

(6) (a) How many naval experts, shipyard managers and foremen are there employed at Cockatoo Dockyard at the present time and whose duties are on ship construction, and (b) how many were employed twelve months after the keel of the *Adelaide* was laid?

(7) What is the total amount of salaries paid to the experts and managers per month?

(8) What naval construction work (if any) is being proceeded with at the dockyard at the present time?

(9) Does this work warrant the retention of the services of these experts, shipyard managers and foremen?

Mr. LAIRD SMITH.—The information desired is being obtained and will be supplied at the earliest date practicable, but owing to the large amount of work which the preparation of answers to some of the questions entails, it will be necessary to postpone a reply until a later date.

FRUIT SHIPMENTS FROM HOBART.

Mr. McWILLIAMS asked the Minister in Charge of Shipping, *upon notice*—

(1) What are the names of the ships of the Commonwealth line that have loaded fruit at Hobart during the present year?

(2) What is the quantity of fruit carried by each ship?

(3) What is the freight charged per bushel?

Mr. POYNTON.—The answers to the Minister's question are as follow:—

(1) One—the *Boorara*.

(2) 43,782 cases.

(3) 8s. per bushel case.

TAXATION DEPARTMENT.

ADELAIDE STAFF VACANCIES.

Mr. BLUNDELL asked the Treasurer, *upon notice*—

1. How many 4th Class positions were provided for on the Estimates for the Taxation Department, Adelaide, for the years 1919-20 and 1920-21 respectively?

2. How many of these positions have been filled?

3. What is the reason that positions have not been filled, seeing that applications have been called for and received?

4. When does the Treasurer anticipate filling these vacancies?

Sir JOSEPH COOK.—The answers to the honorable member's questions are as follow:—

1. Twenty-seven (27) positions of clerk, 4th Class, were provided for on the Estimates of Expenditure for the Taxation Branch, South Australia, for the financial years 1919-20 and 1920-21.

2. Five (5) of these positions are at present filled.

3. The applications lodged have received consideration; but, pending the settlement of the staff position in the Taxation Branch, Western Australia, consequent upon the amalgamation of the Federal and State Taxation Departments in Western Australia, and as a result of which it may be necessary to transfer certain officers from the Taxation Branch, Western Australia, to the Taxation Branch, South Australia, no definite recommendation for the filling of the vacant 4th Class positions in the Adelaide office can be made.

4. The Commissioner of Taxation, accompanied by the Deputy Public Service Inspector for Victoria, left for Perth, on the 30th March, 1921, for the purpose of finally arranging the amalgamation of the Federal and State Taxation Departments in Western Australia. It is anticipated that, upon the Commissioner's return from Perth, about the end of this month, he will be in a position to submit recommendations for the filling of twenty (20) additional 4th Class positions in the Taxation Branch, South Australia. The remaining two positions provided for have not been created.

TRADE WITH GERMANY.

Mr. AUSTIN CHAPMAN asked the Prime Minister, *upon notice*—

As he has been successful in placing some of our wheat in Germany, will he try to do the same with some of our wool, and thus find a

market for our primary producers, and open up trade relations with Germany, the same as has been the case for some time between that country and Great Britain and America?

Mr. HUGHES.—There is nothing to prevent wool or any other Australian commodity being sold to Germany. The general question of resuming trade with Germany has been under consideration by the Government, and will be discussed at an early date.

BRITISH EMPIRE EXHIBITION.

Mr. BOWDEN asked the Prime Minister, *upon notice*—

Whether it is intended to arrange for the representation of Australia at the British Empire Exhibition which is proposed to be held in England in 1923?

Mr. HUGHES.—The Government are not yet in possession of particulars as to the date and scope of the British Empire Exhibition, which it is proposed to hold in 1923. I will make inquiries into this matter when in England; and, if it be decided that Australia shall participate, action will be taken to see that the representation is worthy of the country.

TASMANIAN MAIL CONTRACT.

Mr. WISE.—Yesterday, the honorable member for Wilmot (Mr. Atkinson) asked the following question:—

In view of the fact that the *Nairana* has arrived to take up work in connexion with the Bass Straits mail service, can the Postmaster-General say how long the present contract has to run?

I promised I would furnish him with a reply. The following is the information sought:—

Five years, as and from 18th April, 1921, when the new steamer *Nairana* leaves Melbourne for Launceston on its first trip in connexion with the Tasmanian mail contract.

PAPERS.

The following papers were presented:—

Defence Act—Regulations amended—Statutory Rules 1921, Nos. 67, 68.

Oil-fields in Papua (Upoua)—Geological and Engineering Report by Mr. J. Brown.

Public Service Act—Appointment of T. S. Lipscombe, Department of the Treasury.

Public Service Act—Promotion of S. Rankin, Postmaster-General's Department.

IMPERIAL CONFERENCE.

Mr. HUGHES (Bendigo—Prime Minister and Attorney-General) [2.56].—(*By leave.*)—I said yesterday that if public business permitted I would make to the House a statement in reference to a Conference which is to be held in London in June of this year, and to which the Prime Ministers of the overseas Dominions have been invited. It has been assumed by the press, and stated from the public platform, that this Conference has been called to consider changes in the Constitution. That is not the case. The Conference to consider alterations in the relations between the different parts of the Empire is to be held, possibly next year. The Conference to be held in June next is called to deal with certain definite matters, with which I shall deal in detail. In view of the fact that it is not proposed at this Conference to deal with constitutional relations between the various parts of the Empire any lengthy discussion in relation thereto would be out of place; but, having regard to what has been said on the subject, some few remarks from me seem to be called for.

It would appear that those gentlemen who have rather severely criticised me for refraining to disclose what are my opinions in regard to the Constitution are profoundly dissatisfied with the Empire as it is. What they desire, if one is to deduce their intentions from their words, is to substitute for this structure, fashioned by time and circumstance, under which we have progressed and flourished—a structure, empirical and illogical, but which is the most convenient and flexible ever conceived for the purposes of a free people—they, I say, desire to substitute a Constitution based on some logical plan which they themselves have devised. Precisely what that plan is we are not told, but if one is to read between the lines, they desire to create some sort of Imperial Parliament—although I admit they repudiate that suggestion—or, failing an Imperial Parliament, an Imperial Council, which, although, perhaps, not clothed with legislative powers, will have authority to deal with matters now entirely in the hands of the various Legislatures of the Empire. With these gentlemen I do not at all agree. It appears to

me that they are entirely ignorant of the historical, geographical, and ethnological principles and circumstances of the Empire. They do not seem to understand that this thing which we call a Constitution—if we can apply so definite a term to a thing so indefinite is, happily for mankind, not the work of philosophers or Constitution-mongers—has not been devised according to any plan, and has developed, not of deliberate purpose, but haphazard. There never was a time when this so-called Constitution of ours was crystallized. It is now, as it always was, in a state of flux. Its basic principles are the full and free recognition of the autonomy of the various parts of the Empire, and its complete adaptability to the changing circumstances of a progressive people. If we look back across our comparatively short history, and contract our relations with the Mother Country in the days of our infancy with those of to-day, we see great changes in form, but none in substance. As our circumstances have changed as we have progressed, authority and power suited to our requirements have been given to us. There was a time when the handful of people who were settled in this country were governed by nominee Councils under the direct control of the Colonial Office. When the Colonies had sufficiently advanced, independent self-government was granted them. Time passed, we grew from infancy to adolescence, and at last stood on the very threshold of manhood. With every advance our powers of self-government increased until at length, some twenty years ago, dignity and added authority were given to us by the Federal Constitution under which we are living to-day. During the five years of war our country progressed, and its circumstances changed more than in a generation of peace. In the supreme hour of the Empire trial the Dominions proved themselves worthy of their breeding. The whole world recognised that they had put on the toga of manhood and become nations. The nations of the world recognised us as their equals, and we were admitted into the League on a footing of equality. If we look at the form of the relations between Britain and ourselves during the interval that has elapsed since Australia was first settled, we see considerable changes, but in substance our

relation remains the same. In my opinion, no constitutional changes are called for. Impartial history will record the fact that the British Constitution is the supreme achievement of the genius of our race for self-government. History may be ransacked in vain to find a parallel. If I were asked what is, as it were, the legal tie that unites the British Empire I say deliberately it is the King—the Monarchy. I cannot conceive of a British Empire held together under any other form of government than a monarchy. The people of Australia would never consent to acknowledge as their ruler a President elected by the British people. The Monarchy is the constitutional principle which binds us together. Ties of race, of kindred, of common tradition, of language—all these taken together go to weave that web which neither the storms of adversity nor the passage of time has been able to destroy; but if we are asked what is the material foundation of our greatness, what are we to say? Upon what does this mighty Empire of ours rest? It rests, and always has done, upon the British Navy. As sure as we stand here this Empire of ours would never have been built without British control of the seas. By an all-powerful British Navy this Empire has been built up; only by a powerful British Navy can it be maintained. I leave all further reference to the Constitution at this point, which is the most convenient for dealing with the matters which are to be considered at the forthcoming Conference.

The Conference has been summoned to deal with questions of foreign policy, naval defence, and the renewal of the Anglo-Japanese Treaty. Certain other more or less subsidiary matters are also set out on the agenda-paper. One relates to communications, including wireless, between the various parts of the Empire, but I shall direct my remarks mainly to those matters which are of fundamental importance. I take, first of all, the question of foreign policy. The attitude of the Australian people towards foreign policy before the war was one of indifference, partly begotten from our geographical circumstances and our remoteness from those centres of population which were, in the very nature

of things, regarded by us as being most potent in directing the affairs of the world. And our indifference arose, too, from another cause. We had lain so securely sheltered under the wing of the British Navy from the very day of the foundation of this country that not only did war, which devastated and destroyed other parts of the world, pass us by unscathed, but even rumours of war left us unaffected. The very completeness of the protection which the British Navy gave us was responsible for the fact that the Australian people took no heed of those things which vitally concerned other nations, bringing to them war, turmoil, and destruction and those upheavals which have made history during the last 100 years. But the recent great war changed those conditions. Circumstances, to which I shall allude later, have now made it necessary that we shall take a keener interest in foreign policy. No one would have imagined that from the assassination of some obscure scion of a royal house at Sarajevo, war could have come to this sea-girt Australia, and to the whole world. If at that time you were to have put 100 Australians up against a wall and threatened to shoot every one who did not know where Serajevo was, I suppose you would have had to shoot ninety-nine. Yet from such an incident out of a clear sky the greatest war in history was let loose upon the world, and we, in distant Australia, were involved. It is a far cry from Australia to Belgium, yet but for the violation of the treaty of neutrality made by the great Powers with Belgium, a treaty of which the overwhelming majority of Australians were in entire ignorance, England would probably not have gone to war on the 4th August, 1914, and if she had not gone to war the whole history of the struggle would have been changed. As a result of 400,000 of our young men leaving this country they have seen and learned many things of foreign countries, and their kindred have been naturally keenly interested in all the movements on that great stage upon which our soldiers were playing so splendid a part. We have at length become alive to the fact

Mr. Hughes.

that in the modern world no nation can afford to be indifferent to what other nations do, and that war may come upon us from the most unexpected quarter and upon the most trivial pretext. We cannot afford to ignore the foreign policy of other nations of our own Empire. Honorable members know very well that from the beginning the foreign policy of the Empire has been determined exclusively by Britain, and, very properly so, for if the Empire became involved in war, it was mainly on the shoulders of the British people that the burden of war fell; it was certainly upon them that the burden of preserving the security of the Empire fell, whether in times of peace or in war. This brings me to one of the points to which I desire to direct the attention of honorable members. Certain matters relating to the foreign policy of the Empire are to be considered at this June Conference. We have been invited by the British Government to take our part in the councils of Empire, and to express our opinion in regard to these matters which it is now clearly understood involve us as much as any other part of the Empire. I shall come later to a consideration of what phase of foreign policy most intimately affects us. At this stage I turn to the question which is so intimately related to it, that of defence.

To sea power we owe all that we have—our freedom, our glorious heritage, the glittering promise of our great destiny. From the day Australia was founded to the present time we have been a free community, enjoying all those privileges for which the people of Britain fought for centuries, and, having achieved, applied to the varying circumstances of a world-wide Empire. There is no privilege or liberty that the British people enjoy they have not freely handed to us. And, securely sheltered under the broad wing of the mighty British Navy, we have been able to maintain those liberties and that freedom to develop our heritage and enjoy blessings in overwhelming measure of free government. And, as I have said, all this—our wealth, our liberties—rests upon the broad and sure foundation of sea power. This brings me to the point I wish to particularly direct the attention of this House and the country.

Quite recently a statement was made by the British Government of most portentous character, so far as Australia and the Empire are concerned. It was that Britain was no longer able to maintain the navy at the strength necessary for the complete protection of the Empire, and that the Dominions must do their share. We ought not to be surprised at this declaration, because during the great war Great Britain incurred a debt of some £7,000,000,000 or £8,000,000,000. She is still staggering under the tremendous blows received during the conflict; she is exposed to the fiercest industrial and commercial competition; she is torn with industrial strife by internecine struggles. Her people are demanding, quite rightly, that attention should be paid to domestic reform, that expenditure on naval and military defence should be reduced. No exception can be taken to this from the stand-point of the British people, but what does this mean to Australia? We are 5,000,000 of people, we have a continent very rich and capable of almost infinite development, but within a few weeks' sail of the great bulk of the population of the world. We have boldly announced that we intend to retain this continent for ourselves, and we have set up the banner of a White Australia. The overwhelming majority of the people of Australia believe in this principle, but, in all the circumstances, it can hardly be expected that the overcrowded countries of the East can see the matter from our point of view. How long would that banner fly unless behind it there were massed the legions of the Empire, or unless ringed about it there was the protection of the British Navy? But we are now told deliberately that the British people can no longer maintain this Navy at a strength adequate for the defence of the Empire. To Rome there came a crisis similar to that which now confronts us. The Roman legions had invaded Britain and held it for some centuries, but the onslaught of the barbarians made it imperative that the overseas legions should be withdrawn in order to protect the citadel of the Empire. The Romans withdrew, and Britain was left to her own resources with the result we know of. What can Australia do? What is the Empire to do in this

crisis? The position could hardly be graver. Last year we spent £3,352,000 or thereabouts on our Navy. It is only fair to Australia to point out that we have spent on naval defence very much more than all the Dominions put together; but our Navy is ludicrously inadequate to defend this country. We cannot defend ourselves. We have not even a plan of campaign for the Pacific. Quite recently a conference was held at Singapore which the Admiral of the Australian Fleet attended, to consider the defence of that portion of the Pacific covered by the Australian Fleet and the China Squadron; but as yet no plan of operations has been agreed for the China Squadron, of the British Navy and ourselves. Sir, we are confronted with a position grave in the extreme. What are we to do? What is our policy to be? We depend for our very existence on the maintenance of the control of the sea by Britain. Britain says that she can no longer afford to maintain the Navy at its relative pre-war strength, and calls upon the Dominions to consider the question, and presumably to contribute their share. What are we going to do? The Conference has been called to consider the question. Upon its decision rests the safety, the very existence of this Commonwealth, and, indeed, of the Empire itself. For just as the Empire was built up by and rests upon sea power, so will it wither and decay as that power slips from the hands of the British race.

In order that we may the better understand all that is involved in any policy insuring effective naval defence of Australia, it is necessary to consider a matter most intimately related to it. I turn, therefore, to the consideration of the Anglo-Japanese Treaty. We live in a world which, thanks to the war, we know, or ought to know, very well. We are under no illusions. The veil has been torn from our eyes, and the purposes of nations have been revealed. One great menace to the safety of mankind has been stricken down and humbled; but will any one say that the war, which was waged to end war, has removed all danger of other wars? Has there been a day since the signing of the armistice, on the 11th November, 1918, when war has not raged somewhere?

I may be reminded of the existence of the League of Nations. I have never disguised my opinions of the League. Yet, because Peace is a thing so greatly to be desired, I have endeavoured, by inducing Australia to become a member of the League, to enable it to exercise that influence upon the counsels and acts of nations which its creators claimed for it. But what are the facts? The League was created to banish war by creating a tribunal to which the nations could appeal, substituting reason for force. Yet within two days' journey of Geneva, where its Assembly recently sat, war was raging, in which two members of the League were involved. In the long list of resolutions of the assembly there is not the briefest reference to the fact that the thunders of war, which the League was to banish from the earth for ever, were shaking the earth almost at its very doors. If, then, any Australian is asked whether he will trust his fortunes to the League of Nations or to the sea power of the British Empire, will he hesitate for one moment in his answer? Let us not throw away the substance for the shadow. The war was to have changed many things, and has done so; but how deep does the change go? Has it changed the hearts of men? Do they now seek to settle their quarrels by an appeal to reason instead of to force? If not, the change is only skin deep, and war is still the one great dominating fact of national life. Long ago it was said by Marcus Aurelius, "Wouldst thou confer upon any country the clouds of war, then induce its Government to disarm." Is it not clear that if we are to have peace, and that security which is essential to the development of our heritage, we cannot rely either on the League of Nations or on ourselves alone? Are our resources and our numbers such as could in any circumstances insure adequate defence? We must confess frankly that they are not. We speak at times boastingly—I perhaps have led the vanguard, in this. We speak of ourselves as a nation, and our claim to be recognised as a nation does not rest merely on our own claim. For the nations have admitted us to their councils on a footing of equality. We are a nation. But let us not be vainglorious or blown out with conceit. We are a nation only by

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the grace of God and the power of the British Empire. But for these our house, splendid and glorious thought it is, would be as a house built upon quicksands. If the British people asked, "What is the Empire to us? Will it feed or clothe or help us? Let us look to our own affairs," would they not be well within their own rights? Why should they spend their money to defend us? What do they gain from us? I do not ask what do we gain from them, because our gain is obvious. They might say, "Let us look to ourselves." A Navy incomparably smaller than that required to police this mighty Empire would suffice to protect Great Britain itself. But in that case what of us—I speak not of the other parts of the Empire but of Australia, which stands as a free nation on the foundation of sea power, and on that alone. At this Conference our circumstances and those of the whole Empire must be placed before the people of Great Britain. In these days much is heard of economy, and the outcry for it has not come too soon. But it is heard, not in this country alone, but in all countries, and is the natural consequence of the reckless but inevitable extravagance of the war. If Great Britain chooses to economize, and commences with her Navy, how will it go with us. What shall we do?

I come now to deal more in detail with the Anglo-Japanese Treaty. This Treaty would have expired last year, but was renewed for twelve months, in order that there might be an opportunity for its reconsideration.

Mr. WATT.—There was no definite renewal. Would it not be correct to say that it was allowed to continue?

Mr. HUGHES.—It was allowed to continue; but it will expire.

Mr. WATT.—If notice is given. Either party may denounce it on the giving of certain notice.

Mr. HUGHES.—Unless the Treaty is renewed, it may be terminated on the expiration of twelve months' notice, and that will be given if it is not renewed. I need not dwell on the provisions of the Treaty, because they are sufficiently well known to honorable members. In effect, they provide for joint action in the Pacific by Great Britain and Japan. What

that has meant to us, and what it means to the world at the present time, should be considered carefully by this Assembly. What it means to us is evident. If we were told that there was danger of war, we should naturally ask, from what quarter? Who threatens us? We are a peace-loving Democracy. Whom have we assailed, or whom do we threaten? Is any nation less blood guilty than we? Every citizen of Australia realizes that the destiny of this country is to be played on the mighty stage of the Pacific. Therefore, when we speak of war and foreign policy, we speak of foreign policy in relation to Pacific problems and of war as it may come out of the East. No man can deny that it is a thing more precious than rubies that we should have an alliance with the greatest Power in the East; and no man who was not a criminal, who was not utterly dead to the duty that he owed to his country, would do anything that might involve this country in war. So, when we are asked what the Treaty means to us, either in its present or any other acceptable form, we are to say that it means everything to us. For we should recollect that it is an alliance between that Power, under whose wing we have been sheltered from the day of our birth till now, and that other great Eastern Power which has sprung up within the lifetime of honorable members of this House. So, in the face of these facts, if we are asked, are we in favour of a renewal of that Treaty, I take it that, as Australians who want peace, there can be but one answer, we are. We must recollect that we live in a glass house. We must not forget, though we speak boastingly—and I am not chiding the Australian for so speaking, since he has much to boast of—upon what pedestal we stand. We must remember that our greatness is due—mainly due, at any rate—to our occupancy of a pedestal which is not ours at all, but which has been given unto us for a century or more by Britain. What are the chances of the Anglo-Japanese Treaty being renewed? What are the difficulties in the way? These are the questions to which I must now invite the attention of honorable members. It is perfectly well known that the Japanese—an ambitious and an intensely, passionately, patriotic people—have imagined that they have causes for quarrel, or,

rather, of complaint, with ourselves because of our policy of a White Australia. And, as we have seen lately, there has been much talk of strained relations between the United States of America and Japan. Now, in this last lie the germs of great trouble, the possibilities of infinite disaster to this world. What is the hope of mankind? What do thinking men everywhere strive and pray for? Peace on earth. And how is this to be secured? This is no party question. I hope that every honorable member will express himself freely, remembering only that every word said here in relation to other nations is one which must be well weighed before being uttered. Words of counsel I welcome; words of warning, too; but not words which, lightly uttered, would make a task that is now sufficiently difficult, almost impossible. What is the hope of the world? As I see it, it is an alliance, an understanding, call it what you will, between the two great branches of the English-speaking peoples. Now, here is our dilemma. Our interests, our safety lies in a renewal of the Anglo-Japanese Treaty. Yet that treaty is anathema to the Americans. An honorable member at my right, who dissents, has his own opinion; he may be more intimately acquainted than myself with the viewpoint of the American people; I hope he is. We read almost every day of disturbing rumours of great navies, the world longing for peace resounds with the clanging of hammers, fervently building more and more war ships, and there is rivalry openly expressed between those two great nations, the United States of America and Japan. America has said that she must have the greatest navy in the world; that she must have a navy sufficiently strong to defend herself. To defend herself against whom? She has left the world in no doubt, or in very little, on this point. And these things concern and disturb us greatly. For we not only have no quarrel with America, but we have no quarrel with Japan. We have our ideals; Japan has hers. There is room in the world for both of us. We want to live in terms of amity with all the nations of the earth. If I know the Australian people, they desire with all their hearts to concentrate themselves on those domestic problems which mean more to the people of

the world than anything else. War is a curse, and we must do all things within our power to endeavour to prevent it. What is the ideal at which we are to aim at this Conference, and elsewhere, by every means at our disposal? It is, as I see it, a renewal of the Anglo-Japanese Treaty in such form—modified, if that should be deemed proper—as will be acceptable to Britain, to America, to Japan, and to ourselves. That is the ideal. It may be said that is impossible. It may be. I do not think so. When one comes to the alleged causes of the disputes between Japan and America, they appear to be trivial compared with the tremendous evil which war would inflict upon both nations. What do the Japanese want? They want the right to hold land in America, the right of entry for such of their nationals as so desire into the United States. What is our own attitude? For our attitude is very much like that of the people of the western States of America towards Japan. Indeed, any honorable member who, like myself, has been to the western States, will say that for all practical purposes we view this problem almost eye to eye. What have the Japanese to complain of in regard to our treatment? First, let me say—speaking now, as I believe, as the spokesman of Australia upon this matter—that we desire above all things to live in peace and friendship with Japan. It is utterly wrong for the Japanese people to think that because we have passed certain laws we regard them as our inferiors. We do not. We admire their bravery, their splendid patriotism. We stand among those who are loudest in admiration of their magnificent achievements; for no other nation has advanced so far in so short a time. But, as I had the honour of telling the representative of Japan at the Peace Conference, while we were the friends of Japan, and while we considered them the equal to ourselves, we do not always invite all our friends into our house. We have our ideals; they have theirs. And I want the Japanese people to understand clearly that we, the Australian people, are anxious to live in peace and friendship with them. If they complain of any act of ours, I think they complain without reason. Let me remind

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them of their laws in relation to foreigners. No foreigner may hold land in Japan. Unskilled labourers may not reside outside the foreign settlements, except with the permission of the Prefectural Government. For all practical purposes, the foreign labourer is excluded; and, under the provision to which I have just alluded, Chinese have been deported from Japan. Naturalization is extremely difficult, if not impossible, in Japan other than by marriage with a Japanese person. Japan reserves her coasting trade for her own ships. Our treatment of the Japanese will compare quite favorably, I think, with their treatment of foreigners in general. We do not complain of her treatment of our nationals. We say, "Those are our ideals. This is our country; Japan is yours. We shall treat you with courtesy. We desire your friendship. We want to trade with you. But we cannot go any further." The Japanese are so intensely patriotic that they do not recognise naturalization by any country as denationalizing any Japanese. A Japanese, no matter what he does, cannot divest himself of his nationality. The patriotism of the Japanese could not be displayed in any more effective way. The admission of Japanese labour, the right to hold land: These are the main grounds of the differences of opinion between the United States of America and Japan. Do honorable members tell me that such matters as these are not capable of adjustment by peace-loving nations? Do they not rather tell me that it is the bounden duty of Australia to use every means at her disposal to effect such a *modus vivendi* as will secure a renewal of the Anglo-Japanese Treaty in a form acceptable to Japan and the United States of America? Whether she is a party to it or not is not material so long as she does not regard the renewal of it as an unfriendly act by Britain directed against herself. For this is the dilemma in which we are placed. While making every effort to retain the friendship of Japan we cannot make an enemy of the United States of America. Nor can Britain do so. We must steer our barque between Scylla and Charybdis. In some way we must attain the calm waters of port. That is the mission

which the representative of Australia has to fulfil.

I have put the matter to the House as well as I could, and even if I laboured it at greater length I do not think I could make it clearer. I hope that honorable members will realize quite clearly that, treaty or no treaty, the power of the British Navy—whether it be an Imperial Navy to which we contribute substantially or not—is the foundation of our greatness, the greatest assurance of the peace of the world, and must remain. If that Navy should sink to the level of a second-class Power, then no treaty is worth the paper it is printed on. Sea-power is the foundation, not only of our greatness, but of our very existence. Let the teachings of history guide your feet. Be not deluded by phrases or by vain hopes. There is but one way by which this Empire has been built up, and by that way only can it be maintained. As for the Anglo-Japanese Treaty, if we consider the question from the stand-point of Australia, and ask ourselves what we have to gain by its renewal, the answer is plain; we have everything to gain. If we cannot secure a satisfactory treaty, then it is obvious that any adequate scheme of naval defence will involve us in much greater expenditure, and this at a time when our resources are strained to the uttermost. As I have already said, there is much cry at the present time about economy. This is a direction in which economy can most hopefully look for success. A satisfactory treaty would lessen the expenditure of Australia by millions per annum. Failure would throw upon us obligations that I venture to say could hardly be shouldered by 5,000,000 of people.

This, then, is the position as I see it. It may be put in a more favorable light; but I have put it fairly, neither exaggerating the difficulties nor minimizing them. I have set them out so that men may see and judge for themselves just where they stand. The question of what is adequate naval defence for Australia—I mean, of course, a naval scheme in which Australia co-operates with Britain, and not a scheme in which Australia assumes the sole responsibility, since that could not be thought of—depends on the outcome of

this Conference. Can we make such a satisfactory treaty with Japan as will be acceptable to Britain and America? That is the point. One might easily say more than one should on this matter, but I think that I ought not to have said less than I have. I have endeavoured to put the issues fairly, and I leave it to honorable members to say whether or not Australia should be represented at such a Conference. Whatever may be true of Canada—and, so far as I know, all the other dominions are to be represented—Australia has the most to lose and the most to gain at that Conference. Canada's position is different from our own. We have a coastline nearly three times as great as that of the United States of America, comparing mainland with mainland, and, if we add her dependencies and include our own, the proportion is undisturbed. We are vulnerable on every side. Canada's boundaries, on the other hand, extend for 3,000 miles along the great American Republic. It is inconceivable that the United States of America should attack Canada. The utmost good feeling prevails between the two peoples. Canada is vulnerable on only one side, because on the other the British Fleet is always within a few days steaming distance. We, however, are at the extremities of the earth, and nothing but a scheme of naval defence adequate to circumstances of the then existing foreign policy, whatever that may be, will suffice.

If I am asked whether the Commonwealth is to be committed to anything done at the Conference, I say quite frankly that this Parliament will have the amplest opportunity of expressing its opinion on any scheme of naval defence that is decided upon before the scheme is ratified. As to the renewal of the Treaty with Japan, this is my attitude, and I submit it for the consideration of honorable members: I am in favour of renewing the Treaty in any form that is satisfactory to Britain, America, and ourselves. I am prepared to renew it in those circumstances. If it is suggested that the renewal should take a form which would involve the sacrifice of those principles which we ourselves regard as sacred, I am not prepared to accept it. In such circumstances, I shall bring back the Treaty to this Parliament. I think I have put the situation fairly,

and since these matters have sometimes to be settled quickly, I want honorable members to say whether they will give me the authority I ask for. With regard to the expenditure involved in any naval scheme, the House will not be committed to the extent of one penny. The scheme will be brought before Parliament, and honorable members will be able to discuss, and accept or reject it. If honorable members say that we ought to accept the Treaty in any form, whether it involves the sacrifice of those principles in which we believe or not, I cannot agree; but I am prepared to agree to anything short of that.

I have a copy of the mandate given to us over German New Guinea and all the ex-German places south of the equator, excepting Samoa, and, in order to enable the whole matter to be debated, I move—

That the paper be printed.

Mr. TUDOR.—I ask that the debate be adjourned until Wednesday next. The matter is one of great importance, and such an adjournment would give honorable members an opportunity, before the resumption of the debate, to read in *Hansard* the speech just delivered by the Prime Minister.

Mr. HUGHES.—May I ask that some other honorable member should also express an opinion. I want to get the sense of the House as to what should be done.

Mr. WATT (Balaclava) [4.13].—(*By leave*).—As an individual member, I think we ought to support the request made by the Leader of the Opposition for the adjournment of the debate. The speech made by the Prime Minister (Mr. Hughes) has covered a wider and more important ground with regard to foreign policy than has ever been covered before by a Prime Minister of the Commonwealth. I agree with the warning he has issued to honorable members to be temperate in thought and language in the discussion of these issues, and in order that we may discuss the question in moderation and temperance, I think the adjournment of the debate is essential. I have one suggestion to make. I do not think there is an honorable member outside the Government who has read the Anglo-Japanese Treaty, and if the arrangement made with the British Government will permit of it, I suggest

that, between now and the end of the week, every honorable member should be furnished with a confidential copy of that agreement.

Mr. HUGHES.—Very well.

Debate (on motion by Mr. TUDOR) adjourned.

TARIFF.

In Committee of Ways and Means:

Consideration resumed from 6th April (*vide* page 7225), on motion by Mr. GREENE—

That duties of Customs and duties of Excise (*vide* page 736), first item, be imposed.

Mr. STEWART (Wimmera) [4.15].—Last night, when the House adjourned, I was endeavouring to give honorable members my opinion, not on the merits of Free Trade *versus* Protection, but on the way in which the Tariff as submitted by the Government will operate against the interests of primary producers. A number of interjections then made conveyed some rather curious predictions as to my fiscal belief generally, particularly those by the honorable member for Barrier (Mr. Considine); and I propose now to give an outline of that belief. I shall enunciate the principles which I hold, and if the honorable member I have mentioned, or any other honorable member, labels them as Free Trade or Protectionist principles, that is a matter which concerns themselves. My chief objection to the Tariff as it affects the primary producers is not so much an objection against the policy of Protection. The Prime Minister (Mr. Hughes), at Bendigo, loudly proclaimed that the Tariff to be introduced would be satisfactory to the manufacturers of this country; and, judging by approving interjections from representatives of wage-earners, it seems that it will also be satisfactory to a large proportion of our workers. I repeat that I do not object to the Tariff so much because I disbelieve in the policy of Protection. As a matter of fact, with the situation as it is to-day—with varying standards of living in different countries, with some countries Free Trade, and some with high and some with low Tariffs—it is, in my opinion, expedient in certain cases to levy protective duties. The policy of Protection,

to which I do not object, is a policy which will protect the whole of the community. No doubt the Tariff will protect the manufacturers, who have every reason to be pleased with it, and it will also bring a certain amount of protection to the wage-earners against the cheap workers of other countries. But where does the primary producer come in? This Tariff completely ignores his interests. Those who are posing here as Protectionists are, many of them, only partial Protectionists.

Mr. CORSER.—What about the dried-fruit industry?

Mr. STEWART.—That is a protected industry, and I approve of the protection given to it. If the same protection were given to the other primary producers I would not have much more to say against the Tariff.

Mr. CORSER.—The hop industry and the milk industry are also protected.

Mr. STEWART.—I do not know to what industry the honorable member proposes to refer next, but the prosperity of Australia really depends on the meat, butter, wool and wheat industries. When the War Loans, and subsequently Peace Loans, were being floated, the appeals made to Australia as a whole indicated quite clearly on what, in the opinion of the Government, the welfare of Australia is founded. On placards posted throughout the length and breadth of Australia, inviting subscriptions, we were not shown pictures of factories and smoke stacks in the capital cities, but pictures of a flock of sheep, a herd of dairy cows, or a field of growing grain, and stamped across them were the words, "Invest: Australia's security is behind." It is as I say, quite clear what the Government had in their minds when they spoke of Australia's security. It was primary production that during the war helped to a large extent to finance Australia; and it is the money from the wheat industry that is tiding the country over the present year. There is no doubt that the man behind the plough is the man behind the tax gun so far as Australia is concerned. The Tariff aims a blow at the primary producer; if it is going to benefit anybody it will not benefit him. As a matter of fact, the burden of this Tariff is going to fall on the shoulders of the very people who are maintaining the prosperity of the country to-day.

Mr. CONSIDINE.—And yet the Country party support the Government!

Mr. STEWART.—The slogan of the Country party is that, when we are considering the various interests within Australia, agriculture shall come first. If we give protection to manufacturers and wage earners in the cities, we demand protection for country producers; that is the crux of the whole position. If manufacturers and their workers are given a higher return for the wealth they contribute to the Nation, we demand the same for the primary producer. If primary producers are to sell their products in the markets of the world, we demand for them the right to buy their tools of trade in the markets in which they sell their produce. If it be insisted that primary producers shall purchase their means of production in protected markets at protected prices, we demand for them a protected price for what they have to sell. We hear a cry in this connexion from those who are not primary producers, and peculiarly enough it comes from those who are Democrats, or who loudly proclaim themselves to be Democrats and representatives of the working men of the country. I have heard it claimed over and over again that, when there is a great wheat harvest, or if meat or any other primary product is plentiful, it should be cheap. But if any honorable member on this side were to contend that because human labour is plentiful it should be cheap—

Mr. TUDOR.—There are some members of the honorable member's party who advocate the closing up of factories in order to make labour cheap; they say they wish to smash the workers once and for all.

Mr. STEWART.—I ask the honorable member to turn his guns on the individuals to whom he is referring, and not upon me.

Mr. TUDOR.—I do not accuse the honorable member; but there are members of his party who to-day are doing what I say.

Mr. STEWART.—If that is correct—and no doubt the honorable member believes it to be correct—I can only say I do not agree with such a policy, for my desire is to have fairness all round. I know the struggle in which many working people are engaged, because I have been through it.

Mr. PARKER MOLONEY.—The honorable member is generally very fair, and I cannot see why he should attack the working people and not the Government, who are responsible for the Tariff.

Mr. STEWART.—I am not attacking the working people, but have in my mind certain references that were made last night. I remind the honorable member that many of the interjections and sneers which come from members of the Opposition are frequently directed to honorable members in this corner.

Dr. MALONEY.—The honorable member is attacking the Labour party.

Mr. STEWART.—Not so; I am merely endeavouring to make it clear to the representatives of the working men of this country how the primary producers and workers in the country are hit by the Tariff.

Dr. MALONEY.—Then attack the Government.

Mr. STEWART.—I do not think that the Government would accuse me of bestowing my blessings on them, particularly after some of my remarks last night.

Sir JOSEPH COOK.—Can the honorable member suggest a way of making the parity complete between protection for the primary producer and protection for the manufacturer?

Mr. STEWART.—In my opinion, there is only one way. I do not believe that we in Australia can isolate ourselves, and ignore conditions in other parts of the world; we cannot create an earthly paradise in this great country of ours. There are some in Australia who believe that we should export all we can, and import nothing; and we occasionally have leading articles to that effect in a newspaper published in Melbourne. They expect other people to buy everything we have to sell, but we must not in any circumstances purchase from them. They do not seem to realize that no country can without limitation export more than it imports. There is such a thing as the balance of international trade.

Mr. GREENE.—Does the honorable member suggest that that balance must necessarily be in goods?

Mr. STEWART.—It cannot always be in money; eventually, it must be in goods.

Mr. GREENE.—What about valuable securities as a means of balancing international accounts?

Mr. STEWART.—In the final resort those valuable securities represent goods in every case. I believe it would be better if the duties upon tools of trade made within the Empire for use in primary production could be purchased in the markets of the world free of duty. The wheat-growers, wool-growers, butter producers, and meat raisers are prepared to take the world's market rates for their produce if those rates are allowed to prevail in Australia in respect of their tools of trade; but is it fair to forbid them access to the world's market for the purchase of the means of production compelling them to pay Protectionist prices for their tools of trade, and at the same time feed the Australian people with primary products at Free Trade prices? My advice to the Committee is to strike out the duties on tools of trade used in that industry which has financed Australia in the past, and will always finance it in the future.

Mr. RYAN.—Will the honorable member admit that it is necessary to manufacture those articles in Australia?

Mr. STEWART.—I do not advocate that the whole of our tools of trade should be made outside this country. I would be content if local manufacturers would sell us our tools of trade at the world's rates, but they will not do that.

Dr. MALONEY.—So the honorable member desires to bring down wages, too?

Mr. STEWART.—I desire to bring down the wages of the manufacturer to the same level as those of the primary producer.

Dr. MALONEY.—A primary producer was the only man who ever sweated me. He thought I was an escaped sailor, and offered me 10s. per week.

Mr. STEWART.—That was because he was receiving only Free Trade rates for his produce. Has the honorable member ever considered what would be the prices of wheat, butter, and meat if the primary producers worked only eight hours per day, observed all holidays, received double pay for Sundays and holidays, and had annual holidays as all other sections of the community have, and should have? Under those conditions I wonder what the price of a 4-lb. loaf would be.

Dr. MALONEY.—If the honorable member had his way it would be about 2s.

Mr. STEWART.—If the primary producer based the price of what he sells on the same basis as that used by the manufacturer in respect of his product the price of the loaf would be 2s. This question is vital to the primary producers. If they are to be compelled to purchase within Australia tools of trade at prices far exceeding the world's rates, if this Committee forces this Tariff through in the form in which it is drafted, there can be no alternative for the primary producer but to organize and fix the prices of his products in Australia, not at the export parity, as at present, but at the import parity. The policy I advocate is that the duties upon the tools of trade should be struck off—allow us to purchase in the world's markets tools made within the Empire, and I shall be prepared to sell my primary products at export parity. But if you deny us the right to go into the world's markets for the purchase of the means of production, and yet compel us to sell our products at Free Trade rates, you are asking of us something you have no right to ask, and something which we will not do.

Mr. FENTON (Maribyrnong) [4.38].

—With all due respect to honorable members of the Country party, I say, from my knowledge of a great number of the farmers in Victoria, at any rate, that they do not agree with the fiscal views which have been expressed by the two honorable members who have spoken from the corner benches. Amongst the strongest Protectionists in regard to agricultural machinery and other articles are men who belong to the farming community. Apparently the honorable member for Swan (Mr. Prowse) and the honorable member for Wimmera (Mr. Stewart) have a very serious grievance against the Australian manufacturers of agricultural machinery because of the high prices which they charge to the primary producer. The farmers have shown in other directions a means of coping with those people who they say have acted to the detriment of their interests. Everywhere throughout the Commonwealth, both in respect of primary production and the sale of products from the land, great co-operative movements are afoot, which have saved to the producers millions of pounds by enabling them to conduct their own busi-

ness in their own way. Therefore, I suggest to the honorable member for Swan that if the primary producers are in the dire straits which he has mentioned on account of being fleeced by the manufacturer of agricultural implements, there is an easy way out of the difficulty. There are in Australia the men who can manufacture for them the implements they require of a quality equal, if not superior, to that of the implements which come from abroad. If they are not satisfied with the present manufacturers of implements, let them start factories of their own, and supply their own requirements. They can in that way redress their grievances without trying to wreck a great National policy which, notwithstanding the protests from the members of the Corner party, is beneficial to the primary producers in common with the rest of the population. From the quarterly summary of statistics dated March, 1920, I find that the number of factories in Australia is 15,421; the number of employees in those factories, 328,049; the wages paid, £38,379,000; the total value of the output, £225,000,000; and the value of goods in the process of manufacture, £79,500. If the policy advocated by honorable members of the Country party were carried into effect, it would be comparatively easy to close a large number of those factories, and thus throw a large number of people out of employment. The honorable member for Wimmera (Mr. Stewart) knows as well as does any other man that once we break down our protective wall, and allow the importer to compete successfully with the local manufacturer, the wealthy combines in other parts of the Empire will, for a time, sell agricultural implements below cost in order to wipe out the local industry, and when they have achieved their purpose, God help the farmers, for they will then be charged "through the nose," and made to pay for the losses which the oversea manufacturer has sustained in knocking his local rivals out of the market. That is the position in which the honorable member and those associated with him will find themselves if they succeed in tearing down the Tariff wall which has been raised for the protection of the Australian manufacturer. I am not here to advocate the claim of the manufacturer. The fiscal policy of the

Labour party is New Protection, which aims at protecting the manufacturer at the port, the worker in the factory, and the consumer who buys the article. If the honorable member for Wimmera wishes to secure a true and lasting Protection, he should advocate, instead of the removal of the Tariff wall, an amendment of the Constitution which would give this Parliament more definite powers to deal with the manufacturer, so that he may not fleece his customers. The High Court has ruled against that power on the ground of its unconstitutionality, but I believe that if the Ministry had any backbone, they could test that decision, when it would be found that this Parliament has power to fix the price of articles in the factory. That is a means of redress that will be more lasting and less dangerous than the wrecking of the National Protection policy of this country. Can any honorable member name a nation that, during recent generations, has made forward strides by adopting an absolutely Free Trade policy? As a matter of fact, with the exception of China, there is no really Free Trade country in the world. Canada and the United States of America have shown marked improvement since they adopted the policy of Protection. Therefore, I would ask my friends opposite not to be so persistent in their effort to bring about in this Tariff that which in the long run would cause injury to themselves. I spent my early life on a farm. At that time the farmer used a reaping machine. One man was required to drive the horses, and another was employed at the back of the machine tipping the corn off the board. Following the reaper came a long list of binders to bind the corn into sheaves and pile them in stooks. Then others were needed to cart the sheaves from the stooks to the stacks. Afterwards the thresher with his threshing machine and his fifteen or twenty employees proceeded to turn the corn into a marketable state. The whole process was a most expensive one. What happens to-day? With a good team of horses and a good harvester the whole of the work is done in one operation. Compared with thirty years ago, farming operations can be carried out ten times as cheaply, and this is largely owing to the fact that the manufacturers of Aus-

tralia and the employees in Australian factories have invented, made, and brought into use machinery which enables the farmers to carry out their operations in so simple a fashion and at such a reduced cost. Surely these men are not always to be regarded as enemies of the farmers? Surely those who have invented agricultural implements and so improved them have done as much for primary production as have the men who have sown the grain and reaped it. I would like to prevent the operations of those who carry on nefarious practices by overcharging the farmers who purchase their machines, but there is a method by which that can be done. By an amendment of the Constitution Act this Parliament should be given the right to protect the worker as well as the manufacturer by putting into practice the new Protection ideal, which is a plank in the Labour platform. Apart from my earlier experiences, I have moved among farmers in recent years, and at their annual meetings I have been assailed by them for my protective principles. Invariably my reply has been what I said to one man who stood up as a stout Free Trader. After letting him go for some time, I said, "You have sons?" He said, "Yes," and told me he had four. Thereupon I asked him to state in the presence of others who were there whether he expected all of his boys to follow him on the farm and become farmers. "No," he said, "I can see already that there are two, if not three, of them who will not become farmers, but have an aptitude for some other occupation." I said, "If you intend to carry out your Free Trade policy, which means practically wiping out the manufacturing industries of this country, what scope will there be for the aptitude of those boys, and what opportunity will they have in their after life to provide for themselves and those who are dependent upon them?" I pointed out that there were thousands of farmers' sons employed in various factories. If I could go into the Sunshine harvester works or the Newport workshops, or any other big industrial concern in Melbourne and assemble all the employees just to ask them one question, "How many of you are farmers' sons?" up would go a

forest of hands. Why are they there? Because the farmer's lad, when only a boy, said to his father, "I am not cut out for this game, I do not wish to be a farmer. I prefer to be a blacksmith, because I think I would be a good blacksmith."

Mr. GIBSON.—Yes, because it is easier work.

Mr. FENTON.—It is not easier work. More sweat drops fall from the blacksmith than from the farmer. But honorable members know that these are the facts. Do they propose to close up all the avenues of employment for these farmers' sons, who, if left on the farms, might make an awful mess of the calling, but might make a great success in life if allowed to follow their natural bents and become blacksmiths, carpenters, and so on? Diversity of employment and variety of occupation are the outstanding features of nations that have made strides in history or become important from an industrial point of view. I did not remain on the farm. My mother apprenticed me to a trade; but when I had served my time I was obliged to come to the city to follow my calling. I would have preferred to remain near my people, and I asked to be given a journeyman's wage; but my employer said, "No; we will struggle on for a time, and put two boys in your place." Some farmers' sons have no possible chance of settling in country districts. Of course, I recognise that one of the great evils of Australia is the fact that there is too great a concentration in our capital cities, and as long as I remain in this House I shall assist the honorable member for Cowper (Dr. Earle Page) and others in endeavouring to provide every facility that will induce people to remain on the land. But honorable members sitting in the corner are on the wrong track if they seek to do this by pulling down the Tariff wall. Those who desire to see the industries of Australia reduced to ashes are a menace to the country. It is all very well to talk about purchasing agricultural implements within the British Empire, but if the Farmers' party could induce the Government to accede to their request and reduce the protective duty on some of the implements they wish to purchase, there would be great rejoicing among the farm-

ing implement manufacturers of Canada. These gentlemen know that, with the immense sums of money they have at their backs, they could very soon squelch the Australian manufacturer, and then start out upon a splendid expedition with the object of fleecing the primary producers of Australia. I know some of these men who pose as friends of the primary producers. They have been quite prepared to sell their implements to the farmers at a loss until opposition has been knocked out, and then up has gone the price. What did we pay for our reapers and binders before a duty was imposed? The Canadian firms and some English manufacturers had then a practical monopoly of the sale of these implements in Australia, and made farmers here pay through the nose for them. But their prices speedily came down when local manufacturers commenced operations. I warn the farmers' representatives in this House that what they are seeking to do will be very detrimental to the interests of the people they represent, because if we close up these avenues of employment to the large numbers of young people in the country districts who are not prepared to become farmers, we shall be doing something very disastrous to the community generally. Does the honorable member for Cowper believe that there is any better customer for the Australian farmer than the Australian himself? The hundreds of thousands of people employed in the factories are the very best customers the farmers could have, and the better wage they are paid the more money they have to spend on purchasing what the farmer produces. If, on the other hand, they are thrown out of employment through the closing up of industries, they must seek work in some other country. No better inducement could be offered to them to leave Australia. The best inducement to offer to people to come here, or to stay here, is to provide them with remunerative employment. But that cannot be done if our industries are closed up.

Mr. GIBSON.—To what industries does the honorable member refer?

Mr. FENTON.—I am referring particularly to the manufacture of agricultural implements.

Mr. GIBSON.—How did the Australian manufacturers manage during 1914

under the old Tariff? They built up the finest business in Australia.

Mr. FENTON.—I suppose that during the years of the war there was very little coming here from outside Australia.

Dr. EARLE PAGE.—But during that same period the Australian manufacturers established themselves in the Argentine trade.

Mr. FENTON.—I hope that the new Leader of the Farmers' party will have his facts better than that. The Australian manufacturers of agricultural implements have been established in the Argentine trade for the last ten or fifteen years.

Dr. EARLE PAGE.—Is the price of agricultural machinery fair at the present time?

Mr. FENTON.—I do not say that it is, but the policy of the Labour party is to protect, not only the manufacturer, but also the worker and the consumer. The honorable member for Cowper is a very strong advocate for the amendment of the Commonwealth Constitution Act.

Dr. EARLE PAGE.—That is so.

Mr. FENTON.—Therein lies the remedy for the producers. Let the people give the Commonwealth Parliament the power to deal with those persons who charge excessive prices for agricultural implements or anything else, and they will have done their duty by the producers.

Mr. CONSIDINE.—What is the price in America for Australian-made harvesters in comparison with the price paid here?

Mr. FENTON.—I think it is very much higher.

Mr. JAMES PAGE.—A lot less.

Mr. FENTON.—Then it has changed considerably very recently.

Mr. CONSIDINE.—They cost about £75 there.

Mr. FENTON.—They cannot be bought for that price.

Mr. AUSTIN CHAPMAN.—Are you certain that the American prices are not much lower than the Australian prices?

Mr. FENTON.—I am pretty certain that they are higher. The war taught us many lessons, and, before all, that we were not a self-contained community. We suffered because we had to rely so much on other countries. Therefore, it behoves us now to set ourselves to manufacture into finished articles the wool,

cereals, metals, and other raw products of the country. If honorable members were in earnest they would pass legislation and would establish educational, propaganda which would bring into being factories for the manufacture in Australia of all the woollen goods, of all the steel goods, of all the cement, and of many other things that we require. If that were done, not only should we not have a man or a woman unemployed, but we should have to increase our population.

Dr. EARLE PAGE.—Every one would then be living in the cities.

Mr. FENTON.—No. In Victoria woollen mills are being established in provincial centres, and turn the raw material at hand into the finished article.

Mr. AUSTIN CHAPMAN.—What do you say about the price of wheat?

Mr. FENTON.—Had the true interests of the farmers been studied, instead of the price of wheat being fixed at 9s. per bushel for one season, there would have been a steady level price for a number of years. That would have assisted production.

Mr. GIBSON.—What price?

Mr. FENTON.—If for five years the Australian farmer were guaranteed 6s. per bushel for all the wheat locally consumed, he would be better off than he is with a guarantee of 9s. per bushel for the present season, and perhaps 3s. 6d. per bushel next year. If you provide for producers a consistent and profitable market over a series of years, you give them what they need.

Mr. AUSTIN CHAPMAN.—The man on the land should not have to carry the baby all the time.

Mr. GIBSON.—What would happen if wheat could be imported for less than 6s. per bushel?

Mr. FENTON.—The farmer is entitled to fair wages just as any other man is, and if the price of wheat were fixed at 6s. per bushel, there would be no departure from it, so far as I was concerned at any rate.

Mr. GIBSON.—Who would pay it?

Mr. FENTON.—Who pays the present price?

Mr. GIBSON.—Not the Government.

Mr. FENTON.—A country overflowing with raw material should manufacture its own requirements. But nearly

£100,000,000 worth of goods are imported into Australia annually, though 75 per cent. of that importation could be made locally out of our own raw materials. Yet members of the Country party are prepared to tear down our low Tariff wall.

Mr. AUSTIN CHAPMAN.—Name them.

Mr. FENTON.—The honorable member for Swan (Mr. Prowse) and the honorable member for Wimmera (Mr. Stewart) have in this debate declared their fiscal views. The merits of Protection are beyond controversy; and I am surprised that there should be in politics men who have the audacity to advocate for this community any measure of Free Trade.

Dr. EARLE PAGE.—No one has done so.

Mr. FENTON.—You are revenue-duty men, moderate Protectionists, or moderate Free Traders; mere rail-sitters.

Mr. JAMES PAGE.—They wish to prevent the manufacturers from robbing the country.

Mr. FENTON.—Has any section of the community been more spoon-fed than the primary producers?

Mr. JAMES PAGE.—Those in Western Queensland have not been spoon-fed.

Mr. FENTON.—I know that in Victoria money has been expended freely in teaching and helping the man on the land.

Mr. JAMES PAGE.—He is the backbone of the country.

Mr. FENTON.—I do not deny that. I wish to see the primary producers increased; but when it is contended that nothing has been done for them, I say that many primary industries would not have come into existence had they not been fostered by bonuses. The butter industry is an example. We have also done much for our farmers by our experiments in regard to wheat.

Dr. EARLE PAGE.—The late Mr. Farrar did more in that direction than any one else.

Mr. FENTON.—Mr. Pye, in Victoria, has also done good work. He has bred many a wheat that has become a standard. If you, Mr. Chairman, could speak in this debate we should doubtless hear much from you as to the way in which the producers of the Riverina district have benefited by our protective policy.

Commonwealth and State Governments have stood by the primary producers as much as, if not more than, by any other section of the community. To say that nothing has been done for the primary producers is to deny the facts of history. But our farmers' sons need employment, and some of them wish to enter occupations different from that of their fathers and brothers. Would you deny them the opportunity to do so? The men in factories in the capitals and provincial centres are the customers of the primary producers, and local customers are always the best. The more workmen we have in our factories the greater the local consumption of primary produce. Yet some would, at one fell swoop, destroy factories that provide a great deal of employment.

Dr. EARLE PAGE.—No one has suggested such a thing.

Mr. FENTON.—If you take off the duty on agricultural implements you destroy the agricultural implement making industry.

Mr. AUSTIN CHAPMAN.—And if you make these implements too dear you ruin the farmers.

Mr. FENTON.—I have my own method for bringing to book manufacturers who charge too much.

Dr. EARLE PAGE.—The Constitution will not permit that method to be used.

Mr. FENTON.—There is nothing to prevent the primary producers from making their own agricultural implements.

Dr. EARLE PAGE.—Why not deal with the amendment of the Constitution before the Tariff?

Mr. FENTON.—I am prepared to join with the honorable member next week in securing an amendment of the Constitution without waiting for a Convention. It is Parliament that should be responsible for the submission of amendments to the people. The calling of a Convention will mean delay and expense. Protection has done a great deal for this country. I do not defend those who in a sense rob the producers, but I do not admit that the man on the land is the only producer. The man who helps to make agricultural implements for the farmer is as much a producer as the farmer himself, and entitled to protection. The war showed that Australia should be as nearly as possible self-contained. Yet there are people who have not learned this lesson, and who

would pull away the props of our industries. They would have within the Empire an open market for agricultural implements. That would mean the destruction of an Australian industry, and, subsequently, our producers would suffer for it. Importers have never sold their goods cheaply until they have had to face the competition of local manufacturers. The honorable member for Wimmera made a song about the Labour party being allied with the manufacturing capitalists; but the honorable member's party are associated with the worst profiteers that the country has known—the importers of Flinders-lane. They wish to knock down the Tariff wall, and to import from cheap labour countries. If any one goes into a Flinders-lane warehouse and seeks to buy an imported English tweed and a tweed manufactured in Australia, the quality of each being the same, the imported article will be found to be shillings dearer. The importer fleeces the purchaser, and so will the importer of agricultural implements, given the opportunity, also fleece buyers; and I would say, "A jolly good job if the man on the land is fleeced, seeing that his representatives here are desirous of wiping out his only means of protection." If the farmers' representatives are going to pull down the Tariff wall they will be associating themselves with a set of men who are among the greatest profiteers in this country, namely, the importers of Flinders-lane. Those people want to do just what the honorable member for Swan and the honorable member for Wimmera are desirous of bringing about. I express the confident opinion that this House, including some of the one-time Free Traders, would have too much sense, in view of the experience of the war period, at any rate, to think of wiping out our protective duties. We are going to protect the farmers, but not in the way that those of their representatives here who have so far expressed themselves would do. I stand to-day, as I did at the time of my election in 1910, as a New Protectionist: I would protect the manufacturer at the port, the worker at the shop, and I would protect the consumer. There is only one way in which to do that. I believe, in the light of the recent all-im-

portant decision of the High Court, that we could do so under the present terms of our Constitution. If we were to pass a measure to-day giving power to the Government to appoint a Board, which would see that excessive charges were not made for agricultural machinery, we could grant requisite protection under the existing Constitution. Prior to the recent decision of the High Court we did not think that we could give relief in such a manner. And, even if it should be shown now that we cannot, the Constitution should be amended and the farmer protected against fleecing importers of his implements. It is about time that some of the farmers outside, who are staunch Protectionists, were made aware of what their representatives in this Chamber are now seeking to do.

Mr. PROWSE.—The honorable member does not "cut any ice" with them.

Mr. FENTON.—The honorable member for Swan (Mr. Prowse) is so biased that all he does is to dance a jig on a grain of wheat, and there he sticks all the time. He can go and see no further. I assure him that there are other industries in the land beside that of wheat-growing. I am as much interested as is the honorable member in securing for the farmer agricultural implements at reasonable prices, and in seeing that production in Australia is increased. But I fail to see that his panacea will relieve the situation at all. He would only make it worse. Instead of keeping the people in the country, his ideas, if they were given force, would have the very opposite effect. They would close our factories and make Australia dependent on outside sources for supplies. If any fresh great crisis were to occur, where would we be then? The honorable member made a great mouthful of the word "home." I look at that word, and all it means from the point of view both of the primary and of the secondary producer. I maintain that the man who helps to make agricultural implements is as much a primary producer as the man who grows wheat with the aid of those implements. I trust that we shall build up a Tariff for the protection of Australia which will be conducive to the firmer establishment of existing industries and will give wide fields of employ-

ment by means of newly-established industries, so that Australia shall become, indeed, a golden land both for the diversity of its sources of employment, and the variety of its industries; a land wherein every section shall thrive, as they have done in nearly all the leading countries of the world where the policy of Protection has prevailed.

Dr. EARLE PAGE (Cowper) [5.24].—

I have been interested in witnessing the burning to ashes of the various industries of Australia by the honorable member who has just resumed his seat. I have listened with interest to his charge that the party to which I have the honour to belong desires to destroy Australian manufactures. At the outset, on behalf of my party, I give emphatic denial to such an accusation. Whatever opposition may be shown by members of this party to the imposition of the Tariff, it will not be with the intention of putting any of the workmen of Australia out of employment. Such opposition will be demonstrated, rather, against political pressure being brought to bear in behalf of certain vested interests in order to continually bump up prices against the best interests of the community at large. Here, I wish to say that if any manufacturer of any kind of implement, whether for agricultural use or otherwise, cared to bring before us indisputable proof, and were to lay his books open for confidential inspection in support of his claim that Protection, up to a certain degree, at any rate, was necessary to the welfare of his industry, this party would be most willing to assist in according such a degree of Protection as would enable him satisfactorily to carry on. There are certain lines of duties which, while they were previously fixed at specific sums, have now become *ad valorem*; they are either *ad valorem* straight out or alternatively, whichever is the higher. It should not be forgotten that there is a remarkable difference between an *ad valorem* duty imposed in 1914, or in 1911, or 1908, and an *ad valorem* duty fixed at the present time. That difference lies in the fact that the purchasing power of money to-day has enormously decreased. The unit figure at this time would be something over 200, where it would have been 100 about five or six years ago. An *ad valorem* charge,

while nominally the same to-day, provides an infinitely greater degree of Protection than it would have appeared to do six years ago; because as has been the experience following upon all great wars, we are on the eve of a slump; but this will be an unprecedented slump so far as concerns the price of raw materials. The depression is bound to last for three or four years at least; and, while it continues, the people of Australia will be burdened, if the present Tariff is continued, with rates of duty which, upon the *ad valorem* scale as it now stands, will prove doubly hard. I was much struck, when perusing the speech of the Minister for Trade and Customs (Mr. Greene), to notice certain terms, first, as they were used by the Prime Minister (Mr. Hughes) in his Bendigo speech with regard to the introduction of the Tariff, and the general terms employed by the Minister for Trade and Customs himself. It is remarkable that Mr. Hughes said the Tariff would prove satisfactory to the manufacturers of the Commonwealth; that it would protect industries born during the war, while encouraging others which were desirable; and that it would diversify and expand existing ones. There was no mention, however, of the oldest industry of all, namely, the agricultural industry.

Mr. GREENE.—The honorable member cannot say that as regards my speech.

Dr. EARLE PAGE.—I will deal subsequently with the matter of the amount of incentive offered to primary industries by this Tariff. Years ago, when the fight occurred between Free Trade and Protection in England, the struggle was not over the Protection of manufactures, but was waged upon the principle of Protection or Free Trade as applied to primary products. It is strange to-day that, in an Australian Protective Tariff there should be no mention of anything except manufactures. We have in this country some industries which are not productive of quite sufficient to meet our requirements, and we import what is necessary to fill those needs. These industries require assistance to enable them to carry on adequately. At the proper time, I will deal with the measure of Protection which I maintain should be meted out in such circumstances. The Tariff should

be an instrument of government to apply equally all round, and which should encourage both primary and secondary industries. It is the encouragement of primary industries that is most essential of all, because, without the production of raw material, there can be no secondary industries established. Under present conditions, the various Tariffs which have been imposed in the Commonwealth have not succeeded in doing this. Of themselves, duties imposed thereunder are, apparently, not sufficient, because there is a continual exodus from the country to the cities. Production in the country has actually decreased in the past ten years, as regards primary production, to the extent of some 15 per cent.

What is necessary in addition can be illustrated with regard to copper, which is practically a primary product and basis for other manufactures. We produce something like 40,000 tons per annum, but only about one-tenth of this is absorbed by Commonwealth industries. The surplus is exported.

Mr. GREENE.—We used to send it to Germany, and get it back in a manufactured state.

Dr. EARLE PAGE.—That is so. I propose to show how the duty on the initial product operates against manufacturers while being of little use to itself in the secondary industries in which copper is employed. To those engaged in drawing copper into tube, wire making, and so forth, we give a certain measure of Protection, say 25 per cent.; but by reason of the fact that we add 10 per cent. to the price of the copper they have to use—although producers of copper tell me that they really do not need a duty because the bulk of the product has to be exported—we lessen to that extent the Protection against foreign manufactures from the basic product of the secondary manufactures, making it practically only 15 per cent. The producer of copper here gets the world's parity, plus 10 per cent.

Mr. HECTOR LAMOND.—I think the honorable member is wrong in suggesting that the local producer gets 10 per cent. above world's parity.

Dr. EARLE PAGE.—He gets the additional 10 per cent. represented by the duty, and adds freight and other costs. I only instance this item as show-

ing clearly that the mere imposition of a duty is not the only means of encouraging an industry, and especially primary industries of the character I have mentioned. I am not speaking in a narrow sense, nor has any honorable member of our party done so, in asking for the removal or reduction of duties on tools of trade and agricultural implements.

Mr. GREENE.—The honorable member thinks that the tools of trade of all industries should be free of duty?

Dr. EARLE PAGE.—We think that, in many instances, they should be free in order to assist and encourage the establishment of industries here. There must then be methods of encouraging primary industries, and especially the agricultural and pastoral industries, other than by the imposition of protective duties. Such industries may be assisted by means of bonuses, not necessarily in cash, but in the form of substantial facilities which will enable their production to be increased. The Minister, in introducing the Tariff, spoke of subdividing into small blocks land 40 or 50 miles from a railway line, and making it productive; but no one knows better than he does that it would be useless to subdivide land so situated, and try to make it productive, without providing facilities to carry its produce to market. It is interesting to note that while this Tariff provides for bonuses or duties to encourage the production of pig iron, it does not provide for bonuses or duties to encourage the production of pigs.

Mr. GREENE.—There is a duty on bacon.

Dr. EARLE PAGE.—That may be; but when there is a shortage of bacon, no Ministry has courage to enforce it. Some time ago the honorable gentleman, when Minister in charge of price fixing, took action to encourage the production of carbide, and spoke rightly of the encouragement of natural industries; yet three or four years ago he proceeded to fix the price of beef. If there is one thing more than another that has discouraged primary industry in Australia, it is price fixing. We have to-day a Protectionist House. Both the Nationalist party and the Labour party went to the country on a straight-out high Protective policy, and something like twelve months ago the Government brought in this Tariff, which

was undoubtedly designed not so much to provide Protection as to secure revenue. The duties in this Tariff were purposely made high, so that they could stand reduction, in the belief that during the necessarily long time that would elapse before they could be discussed, and finally dealt with, they would yield a very large amount of revenue. That, no doubt, is good business from the point of view of the Government. In this admittedly Protectionist House we have a continuous clamour on the part of the Labour party for high duties, and at the same time for cheap bread. Honorable members opposite are anxious for the imposition of high duties which will enable big revenues to be collected. They appreciate the fact that if local manufacturers, as the result of the Protection afforded them, increase their prices to just below those at which they can be undersold by the importers, the general public—not merely the primary producers, but the people as a whole—will be at a loss to know where to look for the actual cause of high prices. Pitt, something like 150 years ago, pointed out that by means of indirect taxation it was possible to tax the coat off a man's back without his being conscious of it. And that is what is happening under this Tariff. A man so taxed wonders what is responsible for high prices, and does not know who to blame. Yet the same members object to pay world's parity for food-stuffs.

I agree with the Minister for Trade and Customs that in order to enable real encouragement to be given our primary industries the Commonwealth Parliament must be given additional powers. It should have, for instance, power so to control primary industries as to encourage and increase them. One of the first steps to be taken with that object in view is that of liberalizing the conditions under which our rural dwellers live. Especially should we liberalize their postal, telegraph, telephone, power, and transport facilities. There is also open to the Government a splendid opportunity to encourage and increase our primary industries by liberalizing the systems under which the perishable products of the farmer can be transformed into imperishable products capable of being retained for a relatively long time and so rendered independent of market vagaries. By the conversion of our starch into glucose, our potatoes into

flour or starch, and the canning of our fruits we would render such products practically imperishable. In this way many perishable products could be made fit for use even twelve or eighteen months after production; the market prices of the product would be stabilized, and ultimately the consumer also would be helped, since the waste which follows every glut at the present time would be avoided. Every one knows, for instance, what occurs when we have a good season for potatoes. In the Clarence River district this season, owing to the want of such facilities many farmers with 50 or 60 acres of potatoes to market had to send to their commission agents some £50 or £60 to make good the actual losses on sales caused by the necessity for dumping the perished article into the sea.

MR. GREENE.—Does not the honorable member think that it would be better so to arrange things that there would be more people in Australia to eat our potatoes, rendering it unnecessary to convert them into starch.

DR. EARLE PAGE.—That is one of the objects I have in view; but I do not think that any rapid increase in the population of Australia is possible while our Constitution remains as it is, and especially while we have our present unwieldy States.

MR. GREENE.—With that we all agree, but it does not touch the question which I asked the honorable member.

DR. EARLE PAGE.—I hope to give irrefutable proof that it is practically impossible by means of a Tariff alone such as this to establish rural industries. All that we can do under present conditions of constitution and size of States by means of such Tariffs is to continually increase the population of the big capital cities, where the living conditions are rapidly becoming worse and worse; where the health of the children is deteriorating, and where their chance of becoming physically strong is becoming less and less, while at the same time people are fleeing from the country districts as from a land of desolation. The power to overcome that undesirable state of affairs is largely in the hands of the Federal Government itself. There are many ways by which our primary industries can be assisted. We can assist them by the encouragement of Pools to dispose of their

products. The Minister deserves the thanks of the community, and especially of the producers of butter, for the efforts he has made to secure the co-operative pooling and handling of butter by the producers themselves. We have in the attitude taken up by our sugar producers during the war a happy illustration of the good results which attend the policy of treating the primary producer reasonably, and giving him something like a fair show. For many years, largely with the object of supporting the policy of a White Australia, and to make it possible for us to hold the north, the Commonwealth Parliament subsidized the sugar industry. Then came the period of the war, during which the price of sugar in other countries soared enormously. But did the Australian producers of sugar hold out for the world's parity? No! They were willing to take one-third of the world's parity so long as they were given a reasonable assurance of the stabilization of their industry for a term of only three years. We shall have the same experience in relation to every primary industry if our producers are given an opportunity to do their best, and having done their best, are allowed to obtain a fair price for their produce.

The Tariff could be so framed as to help very largely in the establishment of secondary industries in country districts, and more particularly near the sources of supply of raw material, by penalizing to some extent the imports, say, of rice, so as to prevent the manufacture of starch from rice grown abroad instead of from maize grown in Australia. If we are going to do any good with our industries, if we are to people Australia as rapidly as is necessary, if we hope to hold this country and mean it to be of any avail instead of a mere drag on the Empire, we must provide for thoroughly comprehensive power schemes throughout the Continent, such as will enable country industries to spring up, and to make the fullest use of their opportunities. Since Protection became the national policy of Australia some eighteen years ago, the population of Sydney has enormously increased; but with the exception of Newcastle, practically no other city or town in New South Wales has expanded or grown up. With a comprehensive plan of power distribution the position would

Dr. Earle Page.

be different. The control of such a scheme must be Federal. By reason of the long distances, electric power can be transmitted by modern means. Practically all water power propositions, and many of the fuel power schemes, must be Inter-State in their incidence, and unless there is some Federal power of initiative and control they will never be started, as the districts they will supply and develop are remote from the capital cities of their respective States. The Kiewa water scheme near the Murray will influence the Riverina as well as Victoria, the Snowy River scheme will influence southern New South Wales as well as Gippsland, while the Clarence scheme will influence Queensland as well as New South Wales, and so on. If there is not constitutional power for the Federal Government to initiate them, power ought to be sought in the Convention so that the needs of every State may be supplied. Our aim in Australia should not be to build up huge industrial cities, but right through the country, cities of a size which has been proved by experience to be the best for manufacturing, health, and social purposes. The best size of such cities is no mere guesswork now; it is known that when a city becomes over a certain size it loses its manufacturing value, because workmen have to travel too far to work, and departs from its proper functions, involving degeneration and ill-health of its population. Owing to the lack of power facilities, and the way in which the State railway systems have, quite unconstitutionally in my opinion, imposed differential rates, certain promising towns have been prevented from developing. Towns in the State of Victoria are a case in point. There are many towns in this State, like Bendigo and Castlemaine, which had good opportunities for becoming manufacturing centres, but have been prevented from developing owing to the causes I have mentioned. At present there is a re-erudescence of interest in various Victorian towns; but there is no doubt that as soon as any one of them makes any headway, and promises to rival the big commercial centres, the differential rates will again be called into play, their industries strangled, and under such conditions it is very difficult

to procure the introduction of capital for country industries. I shall first illustrate how Victoria has been affected in this way, and then show the method by which it has been successfully sought to drive the steel industry from Lithgow down to the coast near to Sydney. I am told—whether correctly or not, I cannot say—that within two years Hoskins' works will be transferred to Port Kembla, and much of the shipping done through Sydney port. The following extract from a memorandum prepared by Dr. Hugo Meyer, and presented in Barrett's *The Twin Ideals; an Educated Commonwealth*, illustrated how vested interests prevent country development—

In the early days the gold mining drew to Ballarat, Castlemaine, and Bendigo the best engineering ability of Australia, there to manufacture mining machinery. It was natural for those engineering works to branch out into general manufacturing and foundry work for the supply, not only of the gold-fields, but also of Melbourne. They had the one essential to such expansion, an abundant supply of labour at a price commercially advantageous; for in the early seventies the wages of miners declined to £2 2s. to £2 10s. a week, and remained at that level. It was sound business policy for the Railway Department to encourage general manufacturing and foundry work at Ballarat, Castlemaine, and Bendigo, for it gave rise to railway business in both directions—the movement of the raw material from Melbourne to the aforesaid cities, and the movement of manufactures from those cities to Melbourne. Accordingly the Railway Department, which, when given a free hand, is not managed with that apathy, lack of energy, and want of intelligence so frequently ascribed to it, in 1875 transferred "heavy machinery" from Class II.—5d. per ton per mile, to "Miscellaneous Class"—3d. Melbourne interests, aggrieved at the competition from country towns, brought pressure upon the Government of the day, and in 1877 the Railway Department restored "heavy machinery" to Class II. "Light and fragile" machinery, which, from 1864 to 1877, had been in Class II., the Railway Department raised successively to Class III.—6d. per ton per mile, in 1877, and to Class IV.—7d. per ton per mile, in 1881.

In 1881 the Government of the day relented somewhat, and allowed the Railway Department to make a reduction on country machinery, provided it was exported, and not allowed to remain in Melbourne, there to compete with metropolitan-made machinery. In 1891 the relentment went a step farther, and the reduced rates were extended to country machinery, boilers, cast-iron pipes, and rough castings sent to Melbourne, and shipped thence by rail to points in Victoria outside of the metropolis. The collapse of 1893, and the consequent exodus from Melbourne, led to the reins being again drawn more tightly against

country manufacturers and foundries. The aforesaid reduced rates were limited to goods sent to places "distant 50 miles from Melbourne"; and that limitation is in force to-day.

Sir ROBERT BEST.—That is all over!

Dr. EARLE PAGE.—I am only pointing out what has ruined certain country towns—

To all intents and purposes, the successive Governments of the day, from 1881 on, by administrative ruling, and without express legislative enactment by Parliament, have established within the State of Victoria a favoured area, to wit, Melbourne, and have given that favoured area "protection" against Ballarat, Castlemaine, and Bendigo manufacturers of machinery, boilers, cast-iron pipes, and castings in the territory contained within a radius of 50 miles from Parliament House.

Sir Robert Best has said that that is old history, but it is history that will be repeated unless some protection is given to these country towns. A similar policy some two years ago was attempted in the case of Mr. Hoskins, who immediately wrote a letter to the *Daily Telegraph*, and closed down his works, involving the turning away of some 5,000 men, realizing, as he did, that he could not carry on against the competition of the Broken Hill Proprietary, at Newcastle, which has specially favoured rates. Mr. Hoskins succeeded in what he then attempted—by the magnitude of the crisis he created—but what effect would the locking out of thirty men have at Castlemaine? In Victoria, we have already seen works shifted from Ballarat to Sunshine for freight reasons.

Sir ROBERT BEST.—The works were shifted in order to evade the Factories Act.

Dr. EARLE PAGE.—A man engaged in the jam-making industry told me only this year that he feared he would be forced to set up business in some capital city because, under a Federal regulation, it was only possible there to get the necessary sugar. At the fixed price at Bendigo, he had to pay 30s. per ton extra. Mr. Hoskins, in his letter, makes a definite charge that the New South Wales Government is using its own public utilities as a means of securing preference for certain individuals. In my opinion, that is unconstitutional; whether it is unconstitutional or not, some remedy should be found in order that country towns may

spring up and develop. Mr. Hoskins, in his letter, says—

We think it would have been fairer if it had said "dolomite from Havilah to Newcastle steel works," instead of saying "for fluxing purposes to be 150 miles or over between the stations." The freight on limestone for Broken Hill Pty. Coy. from Tamworth to Newcastle will be 182 miles, at 6s. 4d. per ton.

If a farmer wants to send hay, straw, or chaff from Tamworth to Newcastle, he will have to pay 11s. 11d. per ton; or if he wants to send grain, flour, bran or pollard, potatoes, pumpkins, and many other things from Tamworth to Newcastle, he will have to pay 12s. per ton.

Mr. JACKSON.—What is the rate on the finished product?

Dr. EARLE PAGE.—I suppose it is exactly the same—

The result is as follows:—

Limestone for Broken Hill Pty. Coy., 6s. 4d. per ton.

Hay, straw, and chaff, 11s. 11d. per ton.

Flour or wheat, 12s. per ton.

Our firm, being large users of the railways, Mr. Hoskins consulted various Commissioners and was told by them that the lowest charge they could make without a loss was a half-penny per mile per ton. This is borne out by the fact that crude ores were charged at this rate. This was the old rate before the rise of the first $7\frac{1}{2}$ per cent.

If it costs the railways $\frac{1}{4}$ d. per ton per mile for crude ores, how can they afford to take the limestone for the Broken Hill Pty. Co. at less than $\frac{1}{4}$ d. per ton per mile?

If they can afford to make this loss, would it not be better to send the flour and wheat at a cheaper rate instead of limestone, because the people cannot eat limestone?

Mr. JACKSON.—They cannot eat flour unless there is machinery to make it.

Dr. EARLE PAGE.—That is no reason why all the machinery should be made in one place—

Iron and steel are now classified in two different lines—one is the locally manufactured and the other is imported.

Under the new order of things, if a farmer at Tamworth wants any corrugated iron, or fencing wire, or wire netting from Newcastle, he will be compelled to purchase it from the local manufacturer, or, if he desires to have imported goods from England or America, he will have to pay extra freight, i.e., if he desires any of those commodities, the freight will be £2 4s. 2d. per ton for local manufacture, and £3 2s. per ton for imported. The same rates and difference would be maintained throughout the State, according to distance.

He has already paid his Customs duties, and on the top of that he has to pay the extra freight—

I am very much surprised to see this new clause brought into operation, as it appears the Commissioners would penalize the farmers

for purchasing imported materials. I am naturally a Protectionist, but I think the proper method to give the manufacturer Protection is the Customs House.

I think that that is the general opinion. The Country party believes that Australia should be self-contained and self-populated.

Mr. PARKER MOLONEY.—Tell us how that can be done under Free Trade?

Dr. EARLE PAGE.—I am not advocating Free Trade, but, under present conditions, it seems impossible to decentralize industry without some constitutional change; and, in my opinion, that change should have been made before the Tariff was imposed, and not afterwards. It has taken fifty years to double our population, and if it takes another fifty to double it again, Australia will be lost to us, and the British race. The only method to prevent this is, as has already been suggested, to increase our population in scattered areas in order to secure many manufacturing communities by subdividing the present big States and enabling them to prevent themselves being penalized in their use of the State railways, and with sufficient influence on metropolitan communities to insure a fair deal. This has always proved to be the only way to insure rapid development and rapid increase of population, and secure a rural population. To do any good we must first populate the country, and then the city; and to endeavour to do this by continually increasing the duties on articles essential to country industries makes the task hopeless. The only other point is that of machinery essential for these industries, especially that for the production of power. It is necessary to have protection for all, but some industries need it in the form of duties, while others need it in the form of a bonus. In New South Wales there is a proposition—fortunately in the hands of the State Government, or its position would be very much worse—to establish a hydro-electric scheme, at a total cost of from £600,000 to £700,000, and the duty on the machinery would be something like £150,000 or £160,000. That machinery cannot be made in Australia.

Mr. GREENE.—And we admit it free.

Dr. EARLE PAGE.—Because it is for the use of the State Government.

Mr. GREENE.—No. The regulations apply to all imported machinery of that class, whether for private individuals or State Governments.

Dr. EARLE PAGE. — I am glad to have that assurance from the Minister, because the collection of duty on machinery of that class merely increases the capital charge and the annual charge for interest, sinking fund, and so forth, and yields only a negative advantage in the shape of an improved Commonwealth balance-sheet for one year. I am pleased to learn that the policy the Minister mentioned operates, and surely the concession for which we are asking in respect of the admission of the farmers' tools of trade free of duty, if made in the British Empire is merely an extension of that principle.

Mr. WEST (East Sydney) [6.2].—I did not think it was possible in this enlightened age to discover so queer an individual as a Free Trader. As a matter of fact, there is not one living soul who is not really a Protectionist, but the trouble is that men will not give protection to the other fellow. Every man wants protection for himself and his trade or industry. No countries have made any progress except those which have adopted a policy calculated to make them self-contained. America and Canada have followed a policy which gives full scope for the development of the ingenuity and abilities of their people, and only by such a policy can a nation make progress. I address my remarks more particularly to honorable members of the Country party, who are absolute novices in regard to political principles and economics; if they will pay full attention to this debate they will be more intelligent citizens than they are to-day. Inasmuch as the honorable member for Swan (Mr. Prowse) was the first member of that party to speak on the Tariff he must, I suppose, be taken to be the champion of their cause, but there is not a Protectionist in the House who has not come to the conclusion that if the honorable member is the chief disciple of Free Trade, those who chose him made a bad mistake, because he left himself open to ridicule, and showed himself to be ill-informed

upon fiscal questions. I have on more than one occasion endeavoured to focus the attention of the House upon the question of finance. Any one who takes a lively interest in the welfare of this country must come to the conclusion that we have reached a stage in our existence when something should be done to create industries which will make for the development of Australia. We are rapidly diminishing some of our natural resources. In the past our coal has been readily got, but in the future it will be mined at greater depths. We have been depleting our timber resources in a callous and indifferent manner, and without making any attempt at conservation. These great national assets are fast disappearing. In addition, all the State Governments, with the exception of Queensland, have been selling Crown lands without any regard to the future. Queensland has adopted a system of leaseholds, and is the only State that has conserved for future generations an opportunity to deal with Crown lands. In New South Wales the Crown lands have been sold recklessly, without even making adequate reservations for public requirements. At the same time we have been borrowing money in a mad fashion, utterly regardless of the obligation to repay it; thus we have to-day a huge public debt for the redemption of which no provision has been made.

The CHAIRMAN (Hon. J. M. Chanter).—Does the honorable member propose to connect these remarks with the Tariff?

Mr. WEST.—I propose to show the necessity for building up new industries in order that we may be able to meet our huge obligations. It has been often said that New South Wales was a Free Trade State, but there has never been a Free Trade State in Australia. During the great boom in New South Wales, when Sir Henry Parkes was in power, and before the Premiership of Sir (then Mr.) George Reid, duties were in operation which were more protective than those imposed by the Tariff now before the Committee. With butter at about 10d. per lb. wholesale, cheese 5d. per lb., and bacon 6d. per lb., a duty of 2d. per lb. was imposed, and I maintain that there could not be such a thing as Free Trade while such duties operated. The Tariff

now proposed is not such a one as I would choose. It is a revenue Tariff, as is proved by the enormous amount of money that it is yielding to the Treasury. A revenue Tariff is dangerous, because it is neither fish, flesh, fowl, nor good red herring, and it detrimentally affects the industrial section of the community more than it does the people who are in affluent circumstances. In respect of commodities which can be produced in Australia of a quality equal to that of the imported article, prohibitive duties should be imposed. A person who is so enamoured of his friends overseas that he will not use articles of Australian origin should be compelled to pay a heavy duty for his fancy. Therefore, the present Tariff does not go as far as I would like in respect of some items. The honorable member for Kooyong (Sir Robert Best) was concerned during the war because he could not purchase English chocolates. If he is not satisfied with the chocolates produced by some of the firms in Melbourne and Sydney, he should be made to do without the imported article, or pay a high duty for the privilege of indulging his fancy.

The Australian native is a born genius in applied trades and mechanical inventions. The lad who takes up the trade of plumbing or any other trade, or any of the professions, proves himself more efficient in the period allotted for training than those who are apprenticed to it in other parts of the world. That is my experience generally, because, being of a studious nature, I have kept a close watch on the progress made in the industrial world. Any attempt to refrain from giving encouragement to those who are engaged in secondary industries will prevent Australia from increasing its national wealth. The young Australian by his ability is fitted to be something better than a mere hewer of wood and a drawer of water, and we shall fail in our duty if we do not give him the opportunity to do something better. No one will put capital into any industry unless he is given some encouragement to carry it on, but if, after having asked men to invest in industries, we compel them to compete with others who, in relation to the rates of wages and rents they pay, and the value of the land on which their establishments are built, are in a far better position than the Australian manufacturers, we cannot expect our

people here to make progress with their industries. We ought all to have the ambition to make Australia self-contained. We ought to make it our endeavour to find employment for our own people rather than for people who are living thousands of miles away. Our first duty is to look after ourselves so that we shall not be dependent on others outside. We vote money for the establishment and maintenance of universities and technical schools so that our youths may make themselves proficient in the callings they wish to follow, and so that they may be something better than mere choppers of wood or drivers of bullocks for primary producers, but all this expenditure will be wasted if we do not provide our people with opportunities to occupy positions in which they can return some benefit to the State. I cannot understand how honorable members can raise opposition to our secondary industries. Every one wishes the primary producer to prosper, but, goodness knows, the State has always been his godfather. The men engaged in secondary industries have not been nearly as great a burden upon the State as the farmer has been. In time of drought the farmer gets free seed wheat, and railway rates are reduced for him so that he may convey his produce to the market. The primary producers have always been great receivers of the benefits of socialistic legislation, but are not prepared to extend them to others.

Frequent reference has been made during this debate to the cry for decentralization. As a city man I am opposed to any further increase in the population of the cities at the expense of country districts; but what steps have those who are so anxious about decentralization taken to prevent it? During the last few months, as a member of the Committee of Public Accounts, I have had many opportunities of visiting country districts. At one function I took as my text, when speaking, the cry of decentralization, and asked the president of the shire council, who was entertaining the Committee, and claimed that the people of the district wanted immigration and decentralization, whether he could inform me as to the possibility of two carpenters whom I might send from the city to his district securing cottages in which to live. In reply, he said that he knew of no place where they

could find accommodation, except, perhaps, in the backyard of the hotel. The people of country districts have never attempted to make the conditions of their employess such as would induce them to remain away from the cities. On one occasion at Cairns, in Queensland, there was industrial trouble during a visit I was making to the district, and the trouble arose from the fact that men went there from other parts of Australia, worked in the sugar-cane, earned a fair cheque, went down to Cairns, partly painted the town red, and then took their departure by steamer for the south. I pointed out to the people of the town that no attempt was being made to induce these workers to make their habitation in the district where, apparently, there was any amount of cleared ground for the erection of cottages. I told them that if they took steps to provide these workers with accommodation, the men would become permanent residents of the district, with the consequence that their earnings would create employment for others, and thus bring further prosperity to the neighbourhood.

Sitting suspended from 6.30 to 8 p.m.

Progress reported.

WAR SERVICE HOMES COMMISSIONER.

Ordered—

That Mr. Rodgers have leave to make a statement, and conclude with a motion.

Mr. RODGERS (Wannon—Assistant Minister for Repatriation) [8.1].—Between the adjournment of the House last November and its reassembling yesterday, the Government took action to declare null and void the appointment of Lieutenant-Colonel James Walker as War Service Homes Commissioner, and in support of that action I wish to make a statement.

On the 9th March, as the Acting Minister, for the first time I received information that Lieutenant-Colonel James Walker, at the date of his appointment as War Service Homes Commissioner (6th March, 1919) was an uncertificated insolvent.

The War Service Homes Act provides (section 6) that "the Governor-General may appoint a fit and proper person to be Commissioner," and (section 7) that "a person who is an uncertificated bankrupt or insolvent shall be incapable of being appointed Commissioner."

On the same day (9th March) I gave instructions for the correctness of the information to be investigated, as, obviously, if the information were correct, Lieutenant-Colonel Walker was incapable of being appointed Commissioner, and his appointment was null and void.

On 10th March a report was received by the Solicitor-General that Lieutenant-Colonel Walker had been adjudicated insolvent in Queensland on 25th October, 1915, and had remained an uncertificated insolvent until 19th July, 1919, when the adjudication was annulled. This report was referred to me on 11th March.

I immediately communicated the information to the Prime Minister, who consulted with his colleagues, and the Government decided to take immediate and definite action.

Accordingly, on 10th March, I sent for Lieutenant-Colonel Walker, and questioned him on the subject. Lieutenant-Colonel Walker admitted that the facts were as stated, but said that the circumstances of his insolvency were not discreditable to him, and that the facts were known to the Minister for Repatriation (Senator E. D. Millen) at the time of his appointment, as a telegram on the file would show.

As Senator E. D. Millen had not yet returned from the Geneva Conference, the Government decided to take no final action before his return; but immediately granted Lieutenant-Colonel Walker a week's leave of absence to cover the interval until he would get back, instructing him meantime not to perform any administrative acts, and appointed Colonel J. M. Semmens as Acting Commissioner during Lieutenant-Colonel Walker's absence. I also informed Lieutenant-Colonel Walker that he would be given an opportunity of meeting Senator E. D. Millen on his return, and making any statement he desired before final action was taken.

Senator E. D. Millen immediately on his return informed his colleagues and Lieutenant-Colonel Walker that he had never been aware of Lieutenant-Colonel Walker's insolvency, and Lieutenant-Colonel Walker thereupon said that he accepted this statement.

At no time, until questioned on 10th March last, did Lieutenant-Colonel Walker take any steps to inform the Minister or any member of the Government of his insolvency.

The Government decided that, on the above facts, no course was open to it but to treat Lieutenant-Colonel Walker's appointment as a nullity, and at an Executive Council meeting held on 18th March the Governor-General in Council accordingly declared the appointment to be null and void.

Those are merely the facts and dates relevant to and supporting the action of the Government, and I propose to take an early opportunity to make a full statement concerning the general administration of the War Service Homes Commission, and to announce more fully the Government's intentions regarding future operations. I move—

That the statement be printed.

Mr. BAMFORD (Herbert) [8.7].—I expected from the Minister a much fuller statement than we have just heard. He has told us that the reason for the suspension and subsequent dismissal from office of Lieutenant-Colonel Walker was that he at the time of his appointment was an uncertificated insolvent. Now, there is a good deal to be said about the facts of the insolvency. Lieutenant-Colonel Walker, with four others, was a guarantor to the Bank of Australasia for an advance to provide funds to buy machinery and pay for the sinking of shafts and prospecting work generally in connexion with a gold and copper mine at Charters Towers, a venture which proved a failure. Subsequently, the bank sued Lieutenant-Colonel Walker for the amount it had advanced. He was the only guarantor who was sued, the chairman of the company, also a guarantor and the owner of 18,000 shares in the company, being the principal witness against him. Neither the chairman of the company nor any other guarantor except Lieutenant-Colonel Walker, who was made the scapegoat for all, was interfered with.

Mr. RILEY.—And Lieutenant-Colonel Walker was away at the war at the time.

Mr. JAMES PAGE.—At any rate, he was then a member of the Australian Imperial Force.

Mr. BAMFORD.—Yes, and was at the Front when further proceedings were taken. It was not until the war was over that he was able to defend himself. I have here all the documents relating to the case, but I shall not weary honorable members with unnecessary detail. This is

a *résumé* of what occurred: On the 13th May, 1915, the Bank of Australasia issued a writ for £2,865 19s. 1d. against Lieutenant-Colonel Walker on the joint and several guarantee of the directors of the Carrington Land and Mining Company, that guarantee having been given on the 10th June, 1910, four years before the outbreak of war. The bank took no action against the other guarantors. At the issue of the writ, Lieutenant-Colonel Walker was in camp, and left shortly after. There were really three guarantees dated 16th September, 1909; 24th April, 1910; and 10th June, 1910. On the 2nd July, 1915, judgment was given against the defendant, and on 10th July, 1915, a debtor's summons was issued, and an order for substituted service made. During the same year the defendant was adjudicated insolvent, and his only creditor was the bank. In 1917, the defendant returned from the war, and his solicitors entered into some correspondence with the bank with a view to getting the insolvency annulled; but the defendant returning to the front, nothing more was done. On 14th July, 1919, an order of annulment gave as the reason, "Insolvent having obtained a release of the debt due to the Bank of Australasia, the only creditor who had proved against his estate." An order of annulment is only made when creditors give release, and otherwise a certificate of discharge is applied for. The bank had annulled the insolvency, and realized on the assets of the company, which fully discharged the liabilities of the guarantors. An order of annulment is only made when the creditors give release, and unless there is anything of a questionable nature involved, it merely becomes a matter of granting a certificate. In this case a certificate was not granted, but the insolvency was annulled. The Judge who heard the case expressed his sympathy with Lieutenant-Colonel Walker, and, so far as I am able to understand, said that it was a serious matter, because the bank had been unnecessarily severe, for, as Lieutenant-Colonel Walker was the only one of the guarantors who was in a position to pay, he alone was proceeded against. I submit that Lieutenant-Colonel Walker was fully qualified to hold the position to which he was appointed. I have some correspondence which has an important bearing on the matter, and for the information

of honorable members, I shall read a letter dated 26th February, 1919, from a gentleman whose name I do not intend to disclose, but which appears on the file. The communication is directed to the Comptroller of Repatriation, and reads—

I duly received your urgent telegram reading, "Lieutenant-Colonel James Walker under consideration for Housing Commissionship under Soldiers Homes Act. Senator Millen will be glad to be favoured with your confidential opinion as to his character and capacity. Unless you see objections will be obliged to have collect wire."

Mr. TUDOR.—Who forwarded that letter?

Mr. BAMFORD.—I am not at liberty to say; but the name of the writer appears on the papers in the file. That communication is dated 26th February, 1919, and, consequently, all the information that was necessary concerning Lieutenant-Colonel Walker's position was available prior to his appointment. I say, without hesitation, that in view of the fact that Lieutenant-Colonel Walker's insolvency was annulled, there was no reason whatever why he should have been dismissed.

Mr. RILEY.—Are there any other reasons?

Mr. BAMFORD.—That is what we wish to ascertain. I am anxious to know whether this is a subterfuge. We should endeavour to ascertain whether the Government are hiding anything, and, as an act of mistaken kindness, are not disclosing something which should be known. I have known Lieutenant-Colonel Walker for twenty-five years as a contractor in Queensland, where he is well known, and is regarded by the people as an honest and upright citizen. It is the duty of the Government to make a full statement of the position, and to state clearly whether they can charge him with bribery or corruption. I challenge the Government to come into the open in connexion with this matter. Lieutenant-Colonel Walker is a man with a large family, and his reputation is at stake. I am anxious to learn whether the Government are hiding anything from honorable members, and in order to clear up the whole position it is their duty to make a full statement. It has been said with a certain amount of force and vehemence that Lieutenant-Colonel Walker has exceeded his duties by interfering in matters of policy when

he was only entitled to intervene in matters of administration. I trust that honorable members will look at the file to see if the charge can be substantiated, because we say that it cannot.

Mr. RODGERS.—Whose statement is that?

Mr. BAMFORD.—I am making that statement. I say it is so, and he says it may be so.

Sir JOSEPH COOK.—Who says it may be so?

Mr. BAMFORD.—Lieutenant-Colonel Walker.

Sir JOSEPH COOK.—He was distinctly told, when this question was considered, that the satisfactory discharge of his duties was not in question at all.

Mr. BAMFORD.—Will the Treasurer (Sir Joseph Cook) definitely make such an announcement, so that it may be recorded in *Hansard*, and so that Lieutenant-Colonel Walker may be cleared from any charge of bribery, corrupt practices, or incompetence.

Mr. RODGERS.—The action taken by the Government would be a definite obligation on the part of any Government.

Mr. BAMFORD.—Because of the insolvency? If the Government had any mercy or sense of what is just and fair they would have accepted the annulment of the insolvency as a perfect and complete justification for the appointment. It is, in effect, a certificate of discharge.

Sir JOSEPH COOK.—We cannot accept it, as the Act will not allow it. Lieutenant-Colonel Walker has never been the Commissioner, because he was not eligible for the appointment.

Mr. BAMFORD.—If he has never been Commissioner, is every action of his invalid?

Sir JOSEPH COOK.—Oh, no!

Mr. BAMFORD.—It must be if he was not entitled to the position. If he has never been the Commissioner it will be necessary to pass a validating Act.

Mr. RODGERS.—He was a *de facto* Commissioner.

Mr. JAMES PAGE.—There is room for the honorable member alongside the honorable member for Perth (Mr. Fowler) and other disappointed men.

Mr. BAMFORD.—I am not a disappointed man, but am merely speaking on behalf of one who has been—I will not say unfairly treated—subjected to official

unkindness or injustice. I want to learn from the Minister if there are any facts which have not been disclosed, and if so I ask him to make a public declaration, so that it will be recorded in *Hansard*. In view of the information given, the question of insolvency has no bearing at all on the matter. Will the Minister declare here and now that there is nothing beyond the insolvency? The Minister is silent. I have known of Lieutenant-Colonel Walker over a period of many years, and have heard no word against him. He has been a contractor in a large way, and knows his work. As Commissioner he would be perfectly competent, at any rate so far as practical experience went, to build soldiers' cottages. The matter of Lieutenant-Colonel Walker's insolvency is a mere nothing. For the Government to interpret the Act in its severest meaning may be justified; but the point is that the Government knew of this insolvency disability long ago.

Mr. RODGERS.—The Government did not know.

Mr. BAMFORD.—I say that they did.

Sir JOSEPH COOK.—Who says they did?

Mr. BAMFORD.—I repeat that they knew. The facts are disclosed in the official correspondence.

Sir JOSEPH COOK.—That is not so at all.

Mr. BAMFORD.—The whole matter of Lieutenant-Colonel Walker's insolvency was done with long ago, and there is nothing against him in connexion with the matter. He could have asked for his certificate of discharge in the ordinary way, and it would have been granted, considering that the whole of the amount involved had been paid. I appeal to honorable members opposite, who are always seeking fair play for somebody or other, to support me in my request that the Government should make a complete public disclosure of the facts. I do not ask them to go back on their tracks and restore Lieutenant-Colonel Walker, but to state here whether they have anything beyond the matter of insolvency against him, and, if so, what it is. If the responsible Minister will not speak, are

honorable members to assume that there is something else? If there is, I challenge the Minister to disclose it.

Mr. RILEY.—Suppose that the Government say there is nothing. Must they not restore him to his position?

Mr. RODGERS.—Were it the intention of the Government to replace Lieutenant-Colonel Walker the procedure that has now been taken would have to be adopted.

Mr. BAMFORD.—Is the matter of his insolvency the only reason? By the Minister's silence it can only be assumed that there is something more. If the Minister will not disclose what that something more is, will he say definitely that there is something more? His silence puts Lieutenant-Colonel Walker in a very serious position. It brands him as a man who has done something which the Government will not declare. If it is of such a character that the Government deem their silence to be kindly, it is mistaken kindness. It is rather their duty to make known the facts.

Mr. TUDOR (Yarra) [8.27].—Honorable members will recollect the reasons for the Accounts Committee being given the task of inquiry into the purchase of timber supplies for the War Service Homes Commission. Lieutenant-Colonel Walker's name was mentioned in connexion with the subject-matter of the inquiry. It will be recalled that there was a very close division upon the question whether the Government had done rightly in making those purchases. It is quite possible that the action which Lieutenant-Colonel Walker took at that time caused him to fall out with certain Ministers, and that they are now making him a scapegoat for the sins of the Government.

Mr. RODGERS.—That is not so.

Mr. TUDOR.—The evidence taken by the Accounts Committee was tendered in public, and I consider that honorable members are entitled to receive copies of it, provided that not too much expense would be involved. I hold no brief for Lieutenant-Colonel Walker. I have spoken to him only twice. One of those occasions was when I introduced a deputation to him, and the other was when I, with several other members of Parliament, inspected some of the

soldiers' homes. Those cottages, I must say, were being built infinitely better and much more cheaply than they would have been constructed by private enterprise. If Lieutenant-Colonel Walker is not competent to retain his position, the Government have a right to say so, and to say why. There should be no camouflage and no question of dismissal under a subterfuge. Directly this motion has been disposed of, no further opportunity of discussing the matter will be presented to honorable members until the Estimates are under review.

Mr. RODGERS.—There was an intimation published in the press this morning that this motion would be brought forward to-day.

Mr. TUDOR.—I admit that I did not see it.

Mr. HECTOR LAMOND.—There is too much press and not sufficient Parliament about Ministerial methods.

Mr. TUDOR.—I agree with the honorable member for Illawarra for once. It would have been better if honorable members generally had known that this matter was to be brought forward this evening. Not only have the Public Accounts Committee been inquiring into certain phases of the construction of war service homes—

Mr. WEST.—And the management of the War Service Homes Department. The Government are afraid of our report.

Mr. TUDOR.—I do not know whether that is so or not. But an inquiry into certain phases of the construction of war service homes by the Public Accounts Committee was deliberately ordered by this Parliament. Yet the Government recently passed over that body and appointed another Committee in Sydney to make a separate inquiry into the matter.

Mr. RODGERS.—At the request of several honorable members upon the other side of the Chamber.

Mr. TUDOR.—Very likely. I asked the Acting Minister for Repatriation (Mr. Rodgers) to make an inquiry into the administration of the Department, because I consider that it is far more vital that justice should be done to our returned soldiers in the matter of vocational training than that the Commonwealth should lose a couple of millions sterling. Many of the vocational trainees are to-day being fooled in the most ab-

surd fashion. They would learn more with a private employer in three months than they learn under the existing system in eighteen months. As a matter of fact, it frequently happens that after they have completed their course of training they are obliged to go outside and unlearn all that they have learned. As the Minister himself knows, I have upon several occasions privately urged him to take some action in this connexion. I made similar requests to his predecessor, the present Minister for Home and Territories (Mr. Poynton). If the War Service Homes Department be in a muddle, it is not right that one individual should be made a scapegoat in order to shelter those who are really responsible for that condition. I hold no brief for Lieutenant-Colonel Walker, but I submit that every accused person is entitled to a fair trial before being condemned.

Sir ROBERT BEST (Kooyong) [8.33].—I know nothing more of this matter than has been said in this House. From the statement which was read by the Minister for Repatriation (Mr. Rodgers) honorable members are asked to believe that the sole reason for the removal of Lieut.-Colonel Walker from his office is that upon the date of his appointment he was an uncertificated insolvent. If that be so, the position can be readily remedied. From what has already been said, it is obvious that there was nothing discreditable about Lieut.-Colonel Walker's insolvency, and the fact that it has since been annulled, or a certificate of discharge obtained, taken in conjunction with the statement which was made from the Bench at the time of its annulment, is very significant. Lieut.-Colonel Walker, it appears, was a joint and several guarantor. It was quite competent for the bank to sue Lieut.-Colonel Walker alone or to sue him and the whole of his co-guarantors. It saw fit to sue him alone, and, of course, he had his remedy against his co-guarantors. But, as a matter of fact, we are told that the debt itself has already been paid. This, coupled with the fact that his insolvency has been annulled, or a certificate of discharge obtained, is a clear indication to this House that there was nothing discreditable connected with the matter, so far as Lieut.-Colonel Walker is concerned. If, then, he is merely the victim of misfortune, and if he is still

competent to fill the office from which he has been removed, the difficulty can be overcome by re-appointing him to his office to-morrow. If, therefore, the sole reason for his removal from office was his insolvency, the Minister should have stated the intention of the Government to re-appoint him to his former position. Upon the other hand, if the fact that he was an uncertificated insolvent is merely being utilized as a subterfuge to get rid of him, and if there are other reasons for his removal from office, we have a right to know what those reasons are, and so, indeed, has Lieut.-Colonel Walker himself. If he is incompetent, he should be suspended, and ultimately dismissed, and if he has been guilty of conduct that does not justify his restoration to the office which he recently filled, charges should undoubtedly be levelled against him, and he would then have an opportunity of answering them.

Mr. RODGERS.—Does the honorable member say that the circumstances set out in my statement did not compel the Government to take the action which they have taken?

Sir ROBERT BEST.—I have already stated what is the legal position. The Government are placing themselves in an entirely false position by their failure to be more frank with the House.

Mr. JAMES PAGE (Maranoa) [8.39].—It appears to me that the Government have something to conceal, or they would not have brought this motion forward in the way that they have done. Nobody upon the Opposition side of the Chamber knew that such a motion was to be submitted this evening.

Mr. JOWETT.—Nor did we.

Mr. JAMES PAGE.—Then it has been sprung upon the House.

Mr. RODGERS.—There can be no question of springing it upon the House, seeing that honorable members were notified in the press that it was to be brought forward.

Mr. JAMES PAGE.—What the "dickens" has the press to do with this House? If the Government are going to notify honorable members of the business which is to be brought forward here through the medium of the press, then the press controls the Ministry. As a matter of fact, Ministers will give to the press information which they will not furnish to the House. If honorable

members are foolish enough to tolerate that sort of treatment, they deserve all that they get. To me it is very strange that it should have taken the Government such a long time to discover that Lieut.-Colonel Walker was an uncertificated insolvent.

Mr. TUDOR.—They knew it when he was appointed.

Mr. RODGERS.—They did not.

Mr. TUDOR.—The documents read by the honorable member for Herbert (Mr. Bamford) prove that they did.

Mr. RODGERS.—Lt.-Colonel Walker accepted Senator Millen's statement that he did not know of it.

Mr. JAMES PAGE.—Lt.-Colonel Walker said that a telegram was sent to Senator Millen; Senator Millen said he did not receive it, and Lt.-Colonel Walker accepted that statement. It is a peculiar thing that every one but the Government seems to have known of this insolvency. It appears to me that the Government are trying to make a scapegoat of Lt.-Colonel Walker. They have made such "bloomers" in connexion with the War Service Homes scheme that they want to make a scapegoat of him, and throw the blame on him.

Mr. RODGERS.—That may be politics, but it is not the fact.

Mr. JAMES PAGE.—Lt.-Colonel Walker, while War Service Homes Commissioner, beat the timber merchants' and builders' combines in Queensland, New South Wales, and Victoria. He must have been a strong man to stand up against that "crowd." I hold no brief for him, but I know that he is an honest, hard-working man. He carried on business as a contractor in Queensland for many years, and his character is without blemish. When he applied for the position of War Service Homes Commissioner he could not have been such a bad man as the Government would now have us believe him to be. Why do they not tell us whether there is any reason other than that stated by them for getting rid of him? He has a wife and family to support, and his summary dismissal has placed him in a very awkward position. How would the Assistant Minister for Repatriation (Mr. Rodgers) like such a stigma to be cast upon his character? The honorable gentleman has not a word to say in answer to that inquiry. He is "oyster." Unless we give Lt.-Colonel

Walker a fair and square go in this Parliament he will have no opportunity to obtain justice. From what I know of the Federal Parliament I am convinced that he will receive at its hands a fair deal. If the honorable member for Herbert is the man I take him to be he will press this question to a vote.

MR. RICHARD FOSTER.—I hope that any officer, no matter who he may be, will always get a square deal at the hands of the Federal Parliament.

MR. JAMES PAGE.—We have always endeavoured to give every man a square deal, and I invite the Minister to say at once whether the Government have anything against this man except the fact that he is an uncertificated insolvent. Surely they do not want to brand him as incompetent; but his commission was terminated in a very "fishy" way. I have been told by returned soldiers in Queensland that War Service Homes which they were informed would cost them from £650 to £750, ultimately cost them an additional £200. Is this dismissal of Lt.-Colonel Walker mere camouflage on the part of the Government with the object of throwing on him the blame for blunders that have been made by them? Are they trying in this way to protect themselves from the result of their own sins of commission? The Government's majority is a very slender one, and with another defection from their ranks I am afraid the Prime Minister will not leave Australia to attend the Imperial Conference in London. The honorable member for Herbert, who is a Government supporter, has pleaded for justice for this man.

MR. TUDOR.—And so has the honorable member for Kooyong (Sir Robert Best), who is also a Government supporter.

MR. JAMES PAGE.—But he will never desert the Government; they have him "in the bag." The honorable member for Herbert says that he has known Lt.-Colonel Walker for over thirty years, and has urged the Government to say whether they have anything more against him than the fact of his being an uncertificated insolvent. This man has not received British justice as I understand the term.

MR. BAMFORD.—He challenges the Government.

MR. JAMES PAGE.—Exactly. How would any honorable member opposite like

to have his character impugned as Lt.-Colonel Walker's has been. He was dismissed at practically five minutes' notice—"bunged out" on his "pink ear"—and the Government say to him, "Although we think you are a good man we are dismissing you because you are an uncertificated insolvent." There are in this House a lot of men who ought to be uncertificated insolvents even if they are not. The honorable member for Herbert has given the facts relating to Lt.-Colonel Walker's insolvency. Some years ago I was placed in a position exactly similar to that which led to Lt.-Colonel Walker's insolvency. I signed a joint and several bond for £4,300. At the time I was not worth a "tenner," but was quite satisfied that everything would be all right since the other four men who signed it were wealthy. There were amongst them some pastoralists known to the honorable member for Grampians (Mr. Jowett), but in the whirligig of time I became ultimately the only man out of the five who had any means, and at twenty-four hours' notice I was called upon under the terms of the bond to pay up the £4,300. I had either to raise the money or go insolvent.

MR. TUDOR.—Did the honorable member file his schedule?

MR. JAMES PAGE.—No; I put my shoulder to the wheel, took over the concern in respect to which the money had been advanced, made it a payable proposition, and paid off the amount of the advance. I had no parliamentary bosses to tell me they were discharging me, but the people of the district I was in knew that I was honest in my business transactions. Lieut.-Colonel Walker has to go out into the world now to earn his living, and it is a most despicable act on the part of any individual, to say nothing of a Government, to turn a man adrift, and say to the public, "The only reason we have dispensed with his services at such short notice is that he is an uncertificated insolvent." Like the honorable member for Herbert (Mr. Bamford), I plead with the Minister and the Government to do the fair and square thing by Lieut.-Colonel Walker. If they have anything against him beyond the reason they have given let them tell him so, and allow him to defend himself. There is no man in the House more ready to give another man a square "go"

than the honorable member for Darling Downs (Mr. Groom). Lieut.-Colonel Walker is a "towny" of ours, and the least the honorable member can do is to plead his case. He does not ask to be retained; all he wants to know is what the Government are dismissing him for, and I say to the Government, "For Heaven's sake, tell him."

Mr. MATHEWS (Melbourne Ports) [8.52].—It is evident that the Government have made either too full a statement, or what amounts to no statement at all. Lieut.-Colonel Walker had charge of a Department with enormous ramifications, and responsible for great expenditure. That Department has had many supporters, and on the other hand its operations have been strongly opposed by several sections of the community, notably that section whose business it is to contract for the building of houses. We have been told that it caused a dearth of building material, and, rightly or wrongly, the public will believe that the Government are availing themselves of a technicality in order to get rid of Lieut.-Colonel Walker. One honorable member suggests that the returned soldiers will not be sorry; but I know two returned men who have growled most about the War Service Homes, one of whom was the inspector for the district in which his house is built, the other being the foreman of the house. We know from the building section of the community that the War Service Homes are quite good houses, and better than those that are built by contract. If the complaints of other returned soldiers are of the same character as those of the two men I have mentioned, we cannot believe much of them. Many of us did not agree with much that was done by the War Service Homes Department, and I am certain that both the Minister for Repatriation (Senator E. D. Millen) and the Assistant Minister (Mr. Rodgers) have had differences of opinion with their departmental officers. They would not be human if they did not. The Minister may have made his statement today with the best of intentions, but surely he can see that unless some further explanation is offered the public will believe that the Government have availed themselves of the peculiar circumstances under which Colonel Walker was engaged to get rid of him to satisfy the cormorants of Australia, because he beat them. I was told in Queensland a few

weeks ago by contractors that the action of the War Service Homes Commissioner kept down the price of building material. That statement is true not only of Queensland, but of New South Wales and Victoria.

Mr. LIVINGSTON.—Do you not think the Government gave Lieut.-Colonel Walker a fair deal?

Mr. MATHEWS.—I cannot say that I do on the information at present before me. I want to know more of the facts. The Minister has said too little or too much. Anyhow, I have indicated the way in which the public will look at the matter. I was told two years ago by two Melbourne contractors, who for the past thirty years have been building cottage homes as a speculation for sale, that it was the fight put up by the War Service Homes Commissioner that kept down the price of all building commodities in Melbourne. That applies to lime, cement, timber, bricks, and paint.

Mr. RICHARD FOSTER.—It put them up in South Australia all round.

Mr. MATHEWS.—I shall deal with the honorable member directly. I wish, if possible, to leave the South Australians alone, as they are suffering very badly from a swelled head, which I fear will ultimately burst. It was a dirty game that they played over there in connexions with the building of homes. The War Service Homes Commissioner even compelled the iron-mongers of Melbourne to sell their goods to the public at a price some 20 or 30 per cent. less than they wanted to. With this knowledge in their possession, what we have heard to-night will make the public believe, rightly or wrongly, that the profiteers have got to work with the Government, and demanded Lieut.-Colonel Walker's discharge because he fought and beat them. The peculiarity in South Australia is that there they allowed the contractors to beat the Government. That is why South Australian members do not like the question to be discussed. In South Australia they set out to build homes for the ordinary workers, and the undertaking was a failure. When there was a necessity to build for returned soldiers, they dropped the building for the workers, and started building for the others. The South Australians, who have been sticking out their chests and blowing their own trumpets, do not like the

truth; but it is a fact that they dropped building homes for the workers because they saw a better opportunity to build for the returned soldiers. Then the South Australians tried to come over here, and teach their "grandmother to suck eggs," but they found they could not do it. It is of no use to mince matters. Unless Ministers will tell us more than they have told us to-night, the public will form the impression that Lieut.-Colonel Walker has been beaten by the combines of Melbourne. That is what I am going to believe unless I hear something more. As I say, there was much done under the War Service Homes scheme with which I and many others did not agree, and I was somewhat surprised to find that there was no money for certain work because it had already been spent in other directions. The cost of the purchase of the timber supplies should never have been charged to current account, because that will be an asset when the work is finished, and the extra money could have been obtained to continue other work if the Department had wanted it. I cannot understand the Minister's motive in making the statement he has made to-night. Am I to understand from the Treasurer (Sir Joseph Cook) that the Government are not prepared to make any further statement regarding Lieut.-Colonel Walker? I know it is not fair to ask the Treasurer (Sir Joseph Cook) to take the matter out of the hands of his colleague, but surely we should have more information than has been vouchsafed. Perhaps if I sit down the Treasurer will act upon my suggestion.

Dr. MALONEY (Melbourne) [9.0].—If my information is correct, I consider the Government have been more than kind to this man, for it shows that he is possibly the worst man who could have been appointed to the position. There is a letter referring to this case in the hands of the Attorney-General (Mr. Hughes), and I moved yesterday that the evidence should be printed, because a request to that effect had been made by three leading legal firms in this city, who desired it to be available for reference. I believe that charges amounting to actual perjury will be laid against Lieut.-Colonel Walker. Ask some of the returned soldiers and officers who know him how

they have been treated. Honorable members should ask Captain Burkett his opinion of this man. I shall read a few clauses of the letter to which I have referred as in the possession of the Attorney-General, as follows:—

The Commissioner, to destroy Caldwell's testimony and his *bona fides*, deliberately volunteered (by producing his file) a single sheet which, he said, was signed by Mr. Caldwell in his presence, and in the presence of the architect and the accountant.

Fortunately, Mr. Caldwell and I were present, and I insisted upon Mr. Caldwell examining it; and I examined it afterwards, and I publicly said that it was not signed by Mr. Caldwell. The Committee then insisted upon detaching this sheet from the file, and Colonel Walker was severely cross-examined by Senator Millen, and he broke down, and ultimately withdrew his sworn statement as untrue.

He was trying to ruin another Australian—

The importance of this was that Walker, in order to bolster up his untruthful statement on oath to impress the Committee, audaciously challenged the Committee to call a writing expert who would prove what he swore, namely, that this document was signed by Mr. Caldwell. This was supposed to be a written statement which Mr. Caldwell had signed, and in which he was called the "lessee." When Walker was under the cross-examination of Senator Millen, he tried to substitute a four-page document for the single-page document, which Senator Millen strongly resented. Having regard to this deliberate and malicious attempt to further injure Mr. Caldwell's rights by a malevolent official, I have now to formally request, on Mr. Caldwell's behalf, that he be prosecuted forthwith for perjury.

The evidence is complete, the shorthand-writer can be called, and the secretary to the Committee. Senator Millen can also verify these facts. Mr. Caldwell will give evidence, and the pressmen present can also be called to testify to this incident.

I will be glad if you will give forthwith the necessary instructions for the prosecution of the malefactor. It is obviously your duty as the highest law officer to see that the law is maintained and enforced. Perjury should be punished.

I will await your reply for seven days, after which Mr. Caldwell will act as he is advised for the purpose of seeing justice done.

That letter was written by Mr. Joseph Woolf, one of the leading legal practitioners in Australia. I hope that a strict inquiry will be made into this matter. If Colonel Walker is simply dismissed by the Government on a technicality, that course is taken out of kindness to him. I do not know a single soldier in Melbourne who can speak well of him. I have given the name of one captain, and

honorable members who know the work that officer did during the late war, and on the platform, will admit that he is a man on whose statements we can rely. I have no personal interests in the case. I received this correspondence only this afternoon; and had I known that the matter was coming up to night, I should have given the dinner adjournment to a study of it. If this man has been wrongfully dismissed, by all means let him have an opportunity to prove his innocence. To produce a document which is absolutely forged, in order to ruin another Australian, is infamous. I know that the soldiers have not been treated as well as, perhaps, honorable members would desire. Any man put into a position such as that occupied by Colonel Walker ought to be of a character absolutely above reproach; but the streets of Melbourne actually shriek at his name. I do not love the Government, and would gladly have voted against them last night if given the opportunity; but, in justice to them, I repeat that they have been more than kind to Colonel Walker. I personally asked the Attorney-General to take notice of a letter which contains accusations so serious, for if not we may have a case only equalled by that of that unfortunate gentleman, the Rev. J. B. Ronald.

Question resolved in the affirmative.

TARIFF.

In Committee of Ways and Means:

Consideration resumed (*vide* page 7287), on motion by Mr. GREENE—

That duties of Customs and Excise (*vide* page 736), first item, be imposed.

Mr. WEST (East Sydney) [9.6].—Last night the honorable member for Wimmera (Mr. Stewart) said that if he had his way wheat would be 14s. per bushel to the Australian public; yet he and his colleagues in the corner are endeavouring to prevent those employed in our secondary industries from earning decent wages. How those honorable members can reconcile the two positions I am at a loss to understand. I am quite prepared to assist the primary producers to get a fair return; but how are they to sell their products if the people in the cities have no means with which to purchase them? I remember that in the early days, when Free Trade was the policy of New South

Wales, I was regarded as a great curiosity, and called all sorts of funny names, for advocating that Australia should be self-contained. I am not going to call my honorable friends in the Government corner names, because I think that an intellectual re-adjustment on their part may cause them to realize the possibility of making Australia self-contained. I ask those honorable members who are not in accord with my views on Tariff matters if they are prepared to destroy the great steel works at Newcastle, controlled by the Broken Hill Proprietary Company; to destroy Thompson Brothers establishment at Castlemaine; and the great works controlled by Walker Brothers, of Maryborough; or, again, if they are opposed to the establishment by Cadburys, of England, of a big manufacturing industry in Tasmania? I think it has been said that the statesman is a man who can look some centuries ahead; but members of the Corner party appear to be able to see only the length of a cow. We want in this Parliament men who will do something to build up the nation. We want more than we are getting at present for the expenditure of millions of pounds upon the education of our people. It was my misfortune that the opportunities, now available to the younger generation, were denied to me. Had it been otherwise, I would have been much more effective than I have been in my attempts at social reform for the purpose of increasing the comforts of the people. We should see to it that the younger generation are not denied the opportunity of entering into those avenues of industry for which Australia is so well suited. Free Trade, no doubt, is an admirable doctrine, mentioned in the Scriptures; but as a practical, working principal, it is a fatal barrier to progress. It is, and must be, the duty of this Parliament to make it possible for our people to be profitably employed. I agree that it is most unfortunate that our population is so distributed that about 49 per cent. of the people in Victoria are gathered in the city of Melbourne, about 41 per cent. of the people of New South Wales in Sydney, and about 54 per cent. of the people of South Australia in Adelaide. As one of the representatives of the city of Sydney, I am

quite prepared to do what I can to assist the people in the country districts. But I appeal to them to give us some encouragement in the establishment of our secondary industries. The Labour party, to which I belong, has always endeavoured to cut up the larger estates so that the sons of farmers, as they reach years of maturity, might have available to them land at a reasonable price. We have done our best in this respect, and at the same time we have been endeavouring to do something for the industrial population of our cities. There does not seem to be very much life in this debate. It is a foregone conclusion that the Minister for Trade and Customs (Mr. Greene) will have an easy task in conducting the Tariff through the Committee, for it must be apparent to everybody that the Tariff is a revenue-producing one, and that whilst Free Traders will make a lot of bluster, and promise that all sorts of funny things will happen if their proposals are not adopted, they will be praying that the Tariff will be agreed to in its present form, so that they may be saved from further direct taxation. The first principle of economics is to export as much as possible; no country can export too much, but it can import too much. The country that imports very little and exports largely is prosperous. The surest way of altering the foreign exchange rate in our favour is to increase the export of Australian goods and decrease our imports. If the party on this side were on the Government benches that policy would be adopted very quickly. Unfortunately, changes in the Government must take place before there can be any improvement of the nature I have indicated. In the meantime, we shall do our best with those Ministers who are in power until the next general election brings about a change in the *personnel* of this House. We ought to try to turn the key of salvation by disposing of the Tariff as quickly as possible. As I remarked before, all honorable members want protection for their own interests, but they take care that nobody else shall get it. That is human nature. Let us, however, think of the great mass of the people and of the interests of Australia. If we do that, and adopt the policy I have

enunciated, we shall lay the foundations of progress and add greatly to the welfare of the Australian people.

Mr. JACKSON (Bass) [9.25].—I thought that after six years of the most terrible war in the world's history, the cause of Free Trade would have been dead, but it is apparent that there is still plenty of life in it and that there is an endeavour on the part of the Free Trade representatives to upset the Tariff which the Ministry have submitted. I propose to deal briefly with one phase of the question which so far has not been touched upon—that of national safety. It is essential that Australia, like any other country, should be self-contained as far as possible, and I remind honorable members of the Country party who have been advocating low duties, and, in some cases, no duties, of the well-known fact that a country may be living in happiness and contentment and yet be on the verge of a volcano.

Mr. ROBERT COOK.—So it can be under a Tariff.

Mr. JACKSON.—Yes; but a country that protects itself with a Tariff is taking precaution against disaster. England has plenty of factories for the manufacture of munitions, but depends upon other countries for foodstuffs. Australia, on the other hand, has an abundance of foodstuffs, but who will say that we are in a position to protect ourselves in the event of war? If the Australian people are to endure as a nation we must look a long way ahead. I remind the Committee of what Germany did after the Franco-Prussian War. It may be of interest to honorable members who have not read this phase of history that the then Emperor of Germany was almost elected a member of the Cobden Free Trade Club. After the war of 1870 he espoused the cause of Free Trade, but as soon as he had joined all the divided States of Germany into one Empire he threw off the mask, and Germany became the most highly protected nation in the world. For that policy Bismarck was responsible, and the result of it was that Germany became one of the foremost manufacturing countries in the world. It is safe to say that but for the outbreak of war in 1914, within a decade of that period she would, by peaceful penetration, have

obtained the economic control of the world.

Mr. JOWETT.—Germany never exceeded England in respect of manufactures.

Mr. JACKSON.—The honorable member cannot be serious in making that interjection. The British Committee which in 1916 or 1917 inquired into the matter of ship construction, found that 60 per cent. of the steel forgings or castings used in British mercantile shipbuilding were imported from Germany. There were no forges in operation in Great Britain except those operated by the British Admiralty, and a lot of credit is due to the Minister who kept them in existence. It was only a question of time when England, as a manufacturing nation, would have been completely out-classed by Germany.

Mr. JOWETT.—Pure surmise and assertion.

Mr. JACKSON.—Let honorable members consider the success of America. She began her successful career as a manufacturing country when she put up a protective wall which prevented outside competition with her manufactures. Who will contend that that was anything but good for America? Let us consider the question of the beet sugar industry. In the early seventies the sugar trade of the world was controlled by Great Britain, and yet, fifteen years later, Germany collared the sugar trade of the world with her beet sugar industry. Because of this Great Britain lost the West Indies trade, and was entirely dependent on Germany for sugar. Great Britain had no trade in sugar in 1914, whilst at that time Germany produced 8,500,000 tons of beet sugar.

I say that it is essential that this country should be self-contained, and it can be so only if we establish the necessary factories here to turn out the goods which we require. In my opinion the policy of Free Trade in Great Britain has been a bad one for the people of the United Kingdom. I sincerely trust that this Parliament will pass an effective Tariff for the building up of our industries and the safeguarding of the community. I agree that we should bring about reciprocal trade with all the self-governing Dominions of the Empire.

Mr. MARKS.—Does the honorable member mean a Tariff effective for the primary industries?

Mr. JACKSON.—For everybody in Australia. When will the supporters of the primary industries understand that they cannot exist without the secondary industries?

Mr. JOWETT.—Does the honorable member infer that they do not understand that?

Mr. JACKSON.—Judging by the speeches which I have so far heard on the Tariff, I say that some of them do not. I have been surprised at statements of members of the Country party concerning farm machinery. We are led to believe that a big effort will be made to abolish duties on farm machinery.

Mr. McWILLIAMS.—Hear, hear!

Mr. JACKSON.—Honorable members who have spoken in this way could not have listened carefully to the speech made by the Minister for Trade and Customs (Mr. Greene), when introducing the Tariff.

Mr. JOWETT.—The honorable member should speak for himself. We listened with the greatest attention to that speech.

Mr. JACKSON.—Then I am afraid that some members of the Country party have very short memories. In New Zealand, where there is no Tariff on farm machinery, the same machinery sold by the same firms that are selling in Australia, is dearer than it is here, where there is a 30 to 40 per cent. duty on it. The honorable member for Swan (Mr. Prowse) spoke of a binder costing £120 to-day that used to cost only £80. It is not so very long ago since it used to cost £40. It is only this year that the Sunshine Harvester people, who were the first to manufacture binders in Australia, put them on the market, and yet, without any Tariff on binders, the price has jumped from £32 to about £120.

Mr. PROWSE.—Because of the Tariff piled on over the fifteen years I referred to.

Mr. JACKSON.—There was no Tariff on binders up to this year: the honorable member is barking up the wrong tree. He nevertheless puts his argument forward as a justification for Free Trade in farm machinery, and to help the

farmer. After all, it is all a case of how the matter affects us individually.

Mr. JOWETT.—The honorable member would object if we said that.

Mr. JACKSON.—Not at all. Every man appears to be out for himself, and I am looking forward with a great deal of pleasure to the humorous divisions we shall probably have on some of the items of the Tariff during the next few months.

England, in the fifties, secured control of the cotton trade of the world, and people there said, "Look what a fine thing Free Trade is! We get the raw material, and secure control of the cotton trade of the world." But during only last year those engaged in the manufacture of cotton in England went to the British Government, and asked for protection against Japanese competition.

Mr. JOWETT.—Did the honorable member ever hear of a manufacturer who would not get protection if he could?

Mr. JACKSON.—I am pointing out how an industry as great as the cotton industry of Great Britain, which controlled the markets of the world, is beginning to be ousted from those markets by the competition of cheap labour countries. That is not what we are looking for in Australia. With all the raw materials at our disposal, we should not be importing any manufactured goods. We cannot wonder that money is scarce when we are sending out of the country every year from £100,000,000 to £120,000,000 for goods which we could manufacture ourselves.

Mr. CONSIDINE.—If we have to compete with the productions of cheap labour abroad, how are we going to sell overseas articles manufactured here?

Mr. JACKSON.—It will be time enough to discuss that question when we catch up with the local demand for manufactured articles. There is a practically illimitable market in the East for foodstuffs which we could supply. Let me remind honorable members that America, at one time, had no overseas trade, and could not have it to-day if she had not established her own factories. You must produce goods before you can carry on an overseas trade in them. We must have local manufactures.

Mr. JOWETT.—That is what we want.

Mr. JACKSON. — My honorable friends do not want them to live. If they do, they must give them the benefit of a fair Tariff. I should be very pleased to hear that the members of the Country party are prepared to give our people a fair Tariff, and I trust that when it has been finally considered the Tariff passed by this Parliament will be an effective one in the interests of Australia, and of the safety of the Empire, of which it is a part.

Mr. RICHARD FOSTER (Wakefield) [9.38].—I wish to make a few general statements in connexion with the Tariff. I have listened with interest, if not with pleasure, to speeches which have come from members of the Country party. While I profess to be as keenly interested in the primary producers of the Commonwealth as are honorable members of the Country party, I like to be fair all round. If, yesterday, I had been asked my fiscal faith, I should probably have said that I must shake myself up and come to a determination soon. I reached a stage further last night under the inspiration of members of the Country party, and I have reached a still further stage to-night. I believe, with the honorable member for Bass (Mr. Jackson), that, in a country like Australia, we should, wherever possible, convert our raw products into manufactured articles for our own people. We ought to be self-contained. Recently a petition was sent to me by the secretary of the Single Tax League of South Australia, for presentation to this House, and I presented it, as it was my duty to do, although I did not agree with all the conclusions in it. About twelve years ago, I came to this Parliament with a fiscal faith that some of my friends construed into Free Trade. The present Treasurer (Sir Joseph Cook) was one of them. I was really a Revenue Tariff man, and stood by that policy in the consideration of the Tariff then under discussion. But when we came to the item dried fruits, as I happened to represent Renmark, which district relies upon the dried-fruit industry, I had to vote for an impost which was something more than a revenue duty. The present Treasurer came down upon me like a thousand bricks, and said, "I thought you were a Free Trader." The position is different to-day. The right

honorable gentleman is now behind a Tariff which is the most extravagant ever submitted to this Parliament.

I have no intention of going all the way with my honorable friends in the corner. Some of the arguments submitted last night by the honorable members for Swan (Mr. Prowse) and Wimmera (Mr. Stewart) were sound; but others were somewhat extraordinary. It must be admitted by honorable members opposite that the primary producers, particularly the farmers, have no beneficial Protection. They are getting a little out of butter at the present time, but not from any Protection. They have no beneficial Protection on wheat. In fact, they are obliged to sell their products throughout the world's markets without any Protection. On these grounds, the honorable members for Swan and Wimmera claimed that the farmers ought to have a practically free market for their machinery; and the honorable member for Wimmera even went further, and became somewhat abusive in a way that was not at all justified. We in Australia ought to be proud of the men who have given us our agricultural machinery. We ought to be proud of our Australian inventions, and of those who have taken up the ideas of others and manufactured a class of machinery that is not equalled in any other part of the world.

Mr. JACKSON.—And is not sold cheaper in any other part of the world.

Mr. RICHARD FOSTER.—I am not so sure of that. The honorable member for Swan erred in his reference to binders, not so much in his statement that there has hitherto been no duty upon them, but because he failed to realize that, without the competition of Australian manufacturers, Canada and the United States of America could charge the Australian producers whatever they liked. This year, for the coming season's requirements, imported binders were quoted at from £120 to £130; but when the local binder came on the market at £100, the imported article dropped in price to £100.

Mr. PROWSE.—Before the duty was imposed on binders, the imported binder was selling at £80. In January last, the price quoted was £120.

Mr. RICHARD FOSTER.—That is perfectly true. The imported article rose to £120.

Mr. PROWSE.—Owing to the operation of the Tariff.

Mr. RICHARD FOSTER.—Of course. But towards the end of last year the price of agricultural machinery was increased generally because of the higher cost of raw material brought about through obvious causes, such as the scarcity of shipping. The price of the imported articles was increased generally by an amount which was double the increase on the implements which came into competition with local manufactures.

I hope that, in the consideration of this Tariff, honorable members will keep in view one special feature. About three years ago, many honorable members, in anticipation of Tariff alterations, sought to have a thorough investigation by capable men of the position and outlook of Australian industries. The Government complied with that request by instructing the then Inter-State Commission to make a thorough investigation. I followed the Commission's inquiry carefully, and, in my opinion, it was the most thorough and practical that has ever been attempted. The result was to give honorable members good, solid information regarding the real needs of our industries, and such as might guard them against decisions which would unduly fatten our manufacturers, and build up in Australia millionaire employers, such as we hear of in America, whose example we do not wish to follow in that respect. The investigations of the Inter-State Commission provided reliable and valuable information on which to consider Tariff questions. I regret that we have not the conclusions of the Commission in a condensed form.

Mr. GREENE.—Some time ago I distributed to honorable members a book containing these conclusions in condensed form.

Mr. RICHARD FOSTER.—Are copies still available?

Mr. GREENE.—I have none. I obtained merely enough to give one to each honorable member.

Mr. RICHARD FOSTER.—That book should be exceedingly valuable to honorable members. I do not intend to support extravagant demands for duties or to support more than is justified for the building up and consolidation of Australian industries.

Mr. GREENE.—In many cases the conclusions of the Inter-State Commission have proved entirely wrong.

Mr. RICHARD FOSTER.—Possibly. In Victoria you can prove the Tariff extremists wrong to any extent.

Mr. GREENE.—The Inter-State Commission said that certain industries could not be established here; but the war showed that they could be established. Quite a number of such cases have occurred.

Mr. RICHARD FOSTER.—I congratulate Protectionist Australia on the possession of this Protectionist Minister. One of the biggest manufacturers in Australia has brought out a new article on which there is going to be a big run, and has called it the "Massy-Greene." This Tariff has immortalized the Minister. There has never been a more exhaustive and careful analysis of the fiscal question set before this House than that with which the Minister introduced this Tariff.

Mr. AUSTIN CHAPMAN.—Why not quote the Treasurer on Protection?

Mr. RICHARD FOSTER.—Quite a number of other Free Traders in the Government are behind this extremist.

Sir JOSEPH COOK.—What about Foster on bottled fruit?

Mr. RICHARD FOSTER.—I am laying all my cards on the table, and the Treasurer will have to do the same to explain his conversion to Protection.

Sir JOSEPH COOK.—I need revenue.

Mr. RICHARD FOSTER.—I am with the Treasurer there, and am more of a Tariff man because of the need of revenue than I would be otherwise. If we do not get revenue by means of duties, how are we to get it?

Mr. GREENE.—Out of the farmers.

Mr. RICHARD FOSTER.—That is so.

Mr. GREENE.—But under that system the farmers would be called upon to provide all the revenue instead of the whole community contributing to it.

Mr. RICHARD FOSTER.—Yes, and that makes me more of a tariffist than I should otherwise be. Members of the Country party sometimes speak as if all knowledge regarding country interests were in them, and I ask them to remember, so far as the income tax is concerned,

that it is levied on a progressive scale, and that the higher rates have been levied largely on an annual value of wool amounting to £50,000,000. Next year, however, there will be only £15,000,000 worth of wool to tax.

Mr. JOWETT.—There will not be so much.

Mr. RICHARD FOSTER.—The following year there may be still less. That will diminish the revenue from income taxation. But there are others besides the farmer and the manufacturer to be considered. There is the great public, the general body of consumers. I am anxious to know if the consumers are going to have a fair deal. I am not a believer in the policy of price fixing; and I challenge any honorable member of this Chamber to prove that it has been the means of keeping down the cost of living, particularly during the period of the war. I believe it has been the means of increasing it. In dealing with the Tariff, we have to consider the future of Australian industries, and how far it is possible to extend them beyond what we have already achieved in converting raw materials into the finished article, or, at all events, up to the point of Australia's complete requirements. At the same time, we have to protect the public. How are we going to do it? I do not believe in price fixing such as we had during the war period; and if we are going to face this "Massy Greene" Tariff in its most extravagant phases, we must consider how we are going to protect the consumers. This is a serious matter, because we have no right to saddle our people with an unjustifiable burden, and go beyond the point which will give to the promoters of our new, and also our old, industries a reasonable possibility of success. We can do it without injuring the farmer, who is at all times a most reasonable man. It is wrong to tempt the farmer into believing that he represents the most important section of the community, and that Parliament or the country have no interest in his welfare, because that it absolutely untrue. The farmer cannot complain of the treatment he has received from the Parliaments of Australia since the outbreak of war, and long before. He deserves the utmost

possible consideration, because on his success our national prosperity largely depends. I want the attention of the Government, and particularly that of the author of this Tariff, that absolutely overshadows anything that Australia has been accustomed to, because I desire to learn how the Government are going to protect the people who have to purchase the products of the manufacturers that the Minister is supporting too extravagantly in many directions.

We were informed by the Government quite recently that the Inter-State Commission no longer exists, because its work has, so far as the purpose for which it was created is concerned, been completed. I am hoping, although the Inter-State Commission has been abolished, that a Board of Trade, or some similar body, will be created, consisting of highly qualified men, charged with the duty of investigating the operations of the Tariff in relation to the development of the manufacturing industries of Australia.

Mr. GREENE.—I hope, later on, to be able to give the House an outline of a proposal of a somewhat different nature, which will provide for a continual review by a properly constituted authority up to a necessary point, so that if an undue profit is being made, or any undue advantage is being taken under the Tariff, the position can be considered, and the matter brought before Parliament in due course.

Mr. RICHARD FOSTER.—I thank the Minister for the information he has given the House, and I will state quite frankly that if some such scheme were not entertained, I would not vote for any of the high duties it is intended to impose.

Mr. GREENE.—That is what we propose doing.

Mr. RICHARD FOSTER.—It simply means that the Government will have the assistance of a qualified Committee in administering the Tariff in connexion with many of the duties set out in the schedule.

Mr. GREENE.—That is the intention, but I have not yet definitely settled the form of review. The matter is being investigated to decide what is the best course to follow; but some form will be

adopted, provided, of course, the House agrees.

Mr. RICHARD FOSTER.—I am quite sure the House will agree, and that the representatives of the primary producers will appreciate the Minister's announcement. At present, we are paying more under the Tariff than we ought to pay, particularly for the products of some industries with which I am conversant. I am sure that we are not getting a fair deal on "the other side," and I am not going to support a high Tariff unless we can have some safeguard which will insure fair play for the people of this country. I will try to give reasonable encouragement to the building up of industries from the raw materials of Australia, but there must be surety that we shall not be robbed as a people, and a few individuals made millionaires.

Mr. JOWETT (Grampians) [10.10].—There are two results which are very obvious with respect to the Tariff. Whatever may have been the intention of the Government, one of those two results is that the Tariff has proved the means of collecting a colossal revenue. That infers that enormous sums have been taken out of the pockets of the people and put into the Treasury. Some years ago I was travelling in Alaskan waters, and came upon a delightful city named Prince Rupert.

Mr. AUSTIN CHAPMAN.—Was the honorable member alone on that occasion?

Mr. JOWETT.—I was not entirely alone. I had gone into a bootmaker's shop to buy a pair of what they call there "rubber shoes." A newsboy rushed into the shop calling out "Third edition." This was during the early stage of the war, so I eagerly bought the so-called "Third edition." I discovered, however, that except for that caption, the newspaper was apparently word for word the same as the two previous editions of the same paper which I had bought and paid for. I expressed some surprise. But the shoemaker consoled and silenced me with the remark, "Well, I guess they need the money." As the Treasurer (Sir Joseph Cook) has already indicated by way of interjection during this debate, and in explanation of his attitude towards the Tariff, he needs the money. That, then, may be the principal apology of the Government for the introduction of this

Tariff. Honorable members of the party to which I belong will take no share of responsibility for a Tariff which has transferred from the pockets of the people a huge sum of money. Unfortunately, of the tremendous amount which has come out of the public pocket, not more than 50 per cent., perhaps, has reached the Treasury. The remainder has gone to swell the wealth of those who have paid duty to the Customs House and have passed it on with a very large increase to the public. The second great feature is that the Tariff has been responsible for an enormous increase in the cost of living. It has been the main factor, indeed. It has vastly increased the prices of almost all goods that are imported. Also there has been a great deal of profiteering, but the existing Tariff has played into the hands of the profiteers by enormously adding to the value of the stocks of the importers and distributors.

Mr. GREENE.—Has this Tariff increased the price of wheat, or of flour, or butter, or meat?

Mr. JOWETT.—I do not know that the imposition of any Tariff could increase the prices of those commodities; but it will be found from the records that there has been a great decrease in the prices received by the producers in respect of all those items, with the single exception of wheat. Butter has fallen.

Mr. GREENE.—I know more about butter than does the honorable member.

Mr. JOWETT.—The only object of these interjections is to divert the attention of honorable members from the real

issue. As a matter of fact, the prices of butter, meat, and bacon are not affected by the Tariff at all. The main cause of the increased cost of living is not to be found in the prices of these commodities. In my opinion, there would be no need for increased taxation if we had efficient Government control over expenditure. Having opened up this question, I appeal to the Minister for Trade and Customs (Mr. Greene) to report progress.

Mr. GREENE.—The honorable member must go on for a while yet.

Mr. JOWETT.—Evidently, it is not possible to secure an adjournment of the debate at this stage. I do hope that we are not going to drift into the bad practice which we adopted last session of sitting night after night till an unreasonably late hour.

Mr. WISE.—Why, the honorable member would sit in a theatre until ten minutes to 11 o'clock!

Mr. JOWETT.—Not in company like this, anyhow. The discussion upon the first division of the Tariff, which relates to ale, spirits, and other beverages, should have been a little more exhilarating than it has been.

Mr. PARKER MOLONEY.—It has been altogether too dry.

Mr. GREENE.—If the honorable member thinks it necessary to start talking about spirits at this hour of the evening, it is time we went home.

Progress reported.

House adjourned at 10.26 p.m.

7

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		Gippsland (V.)

1. Sworn 27th February, 1920.—2. Sworn 3rd March, 1920.—3. Appointed Temporary Chairman of Committees, 4th March, 1920.—4. Made affirmation, 5th March, 1920.—5. Election declared void, 2nd June, 1920.—
† Sworn 11th May, 1920.—6. Elected 10th July, 1920. Sworn 21st July, 1920.—7. Appointed Temporary Chairman of Committees, 13th May, 1920.—8. Expelled and seat declared vacant, 12th November, 1920.—
9. Elected 18th December, 1920. Sworn 6th April, 1921.

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